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## Republic of Mozambique

### SOFALA BANK ARTISANAL FISHERIES PROJECT (PPABAS)



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**REPUBLIC OF MOZAMBIQUE**

**MINISTRY OF FISHERIES**

**SMALL-SCALE FISHERIES DEVELOPMENT INSTITUTE (IDPPE)**

**SOFALA BANK ARTISANAL FISHERIES PROJECT (PPABAS)**



## **PROJECT COMPLETION REPORT**

**September 2012**

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**Currency Equivalents**

USD 1.00 = Metical (MZM) 25

**Weights and Measures**

Metric system unless otherwise defined in text or tables

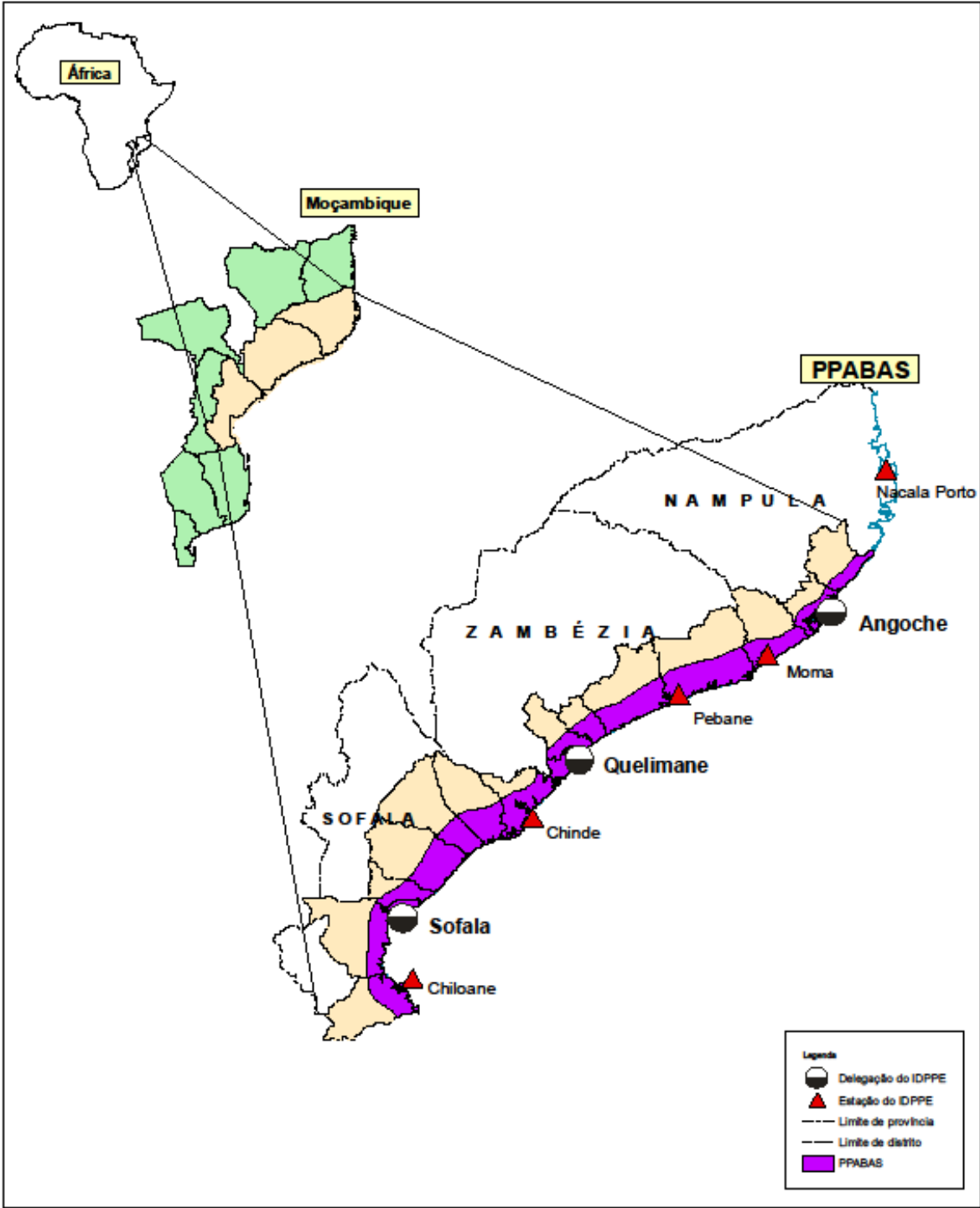
**Abbreviations and Acronyms**

ANE	National Roads Authority
ASCA	Savings and Credit Association ( <i>Poupança e Crédito Rotativo/PCR</i> )
AWPB	Annual Work Plan and Budget
BSF	Belgian Survival Fund
CAP	Fisheries Administration Committee ( <i>Comissão de Administração Pesqueira</i> )
CPE	Country Programme Evaluation of IFAD (2010)
DEP	Provincial Departments of Roads and Bridges
DNAP	National Directorate of Fisheries Administration ( <i>Direcção Nacional de Administração Pesqueira</i> )
DNEP	National Directorate of Fisheries Economy ( <i>Direcção Nacional de Economia Pesqueira</i> )
DPOPH	Provincial Directorate of Public Works and Housing ( <i>Direcção Provincial de Obras Públicas e Habitação</i> )
DPP	Provincial Fisheries Directorate ( <i>Direcção Provincial das Pescas</i> )
FAO	Food and Agriculture Organisation of the United Nations
CCP	Community Fishery Council ( <i>Conselho Comunitário de Pesca</i> )
FFP	Fisheries Development Fund ( <i>Fundo de Fomento Pesqueiro</i> )
FFPI	Small Industry Development Fund ( <i>Fundo de Fomento à Pequena Indústria</i> )
GDP	Gross Domestic Product
GOM	Government of Mozambique
IDPPE	Institute for Development of Small-Scale Fisheries ( <i>Instituto de Desenvolvimento da Pesca de Pequena Escala</i> )
IIP	Fisheries Research Institute ( <i>Instituto de Investigação Pesqueira</i> )
INIP	Institute for Fish Inspection ( <i>Instituto Nacional de Inspecção do Pescado</i> )
M&E	Monitoring and Evaluation
MDG	Millennium Development Goals
MDP	Ministry of Fisheries ( <i>Ministério das Pescas</i> )
MFI	Micro-finance Institution
MOPH	Ministry of Public Works and Housing ( <i>Ministério das Obras Públicas e Habitação</i> )
MPD	Ministry of Planning and Development
MS	Ministry of Health ( <i>Ministério da Saúde</i> )
NGO	Non-Government Organisation
NORAD	Norwegian Development Agency
PA/AP	Planning Area/ <i>Áreas de Planificação</i>
PAFIR	Rural Financial Support Programme ( <i>Programa de Apoio às Finanças Rurais</i> )
PCU	Project Coordination Unit
PESPA	Strategic Plan for the Artisanal Fisheries Subsector
PPABAS	Sofala Bank Artisanal Fisheries Project ( <i>Projecto de Pesca Artesanal no Banco de Sofala</i> )
PPAGI	Artisanal Fisheries Project in Gaza and Inhambane ( <i>Projecto de Pesca Artesanal em Gaza e Inhambane</i> )
PPAN	Nampula Artisanal Fisheries Project ( <i>Projecto de Pesca Artesanal em Nampula</i> )
PPANNCD	Northern Nampula and Cabo Delgado Artisanal Fisheries Project
ProPAPA	Food Action Plan Support Programme ( <i>Programa de Apoio ao Plano de Acção para Produção de Alimentos</i> )
ProPESCA	Artisanal Fisheries Promotion Project ( <i>Projecto de Promoção da Pesca Artisanal</i> )
SDR	Special Drawing Rights
TA	Technical Assistance/Assistant
TTR	Tri-Term Review
UNOPS	United Nations Office for Project Services
VAT/IVA	Value Added Tax
WA	Withdrawal Application

**Fiscal Year**

1 January to 31 December

Map of the project area



The Project at a Glance

Country	Mozambique
Project Name	Sofala Bank Artisanal Fisheries Project / PPABAS

Key Dates

IFAD Approval	Signing	Effectiveness	Tri-Term Reviews	Original Completion	Actual Completion
	Feb. 2002	Sept. 2002	2005 and 2008	Sept. 2008	March 2011
1 <sup>st</sup> Tri-term Review	2 <sup>nd</sup> Tri-term Review	Original Loan Closing	Actual Loan Closing		
January 2006	June 2008	March 2009	September 2011		

IFAD Financing

Loan	SDR	14,000,000	% disbursed		96.99
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Actual Costs and Financing (USD)

Component	IFAD	Co-financing*	Beneficiaries**	GOVT	Total
Community dev.	2,587,104	4,760,905	101,858	631,977	8,081,844
Fisheries dev.	3,732,662	1,932	-	156,974	3,891,568
Roads, commercial.	1,869,538	4,309,426	-	588,302	6,767,266
Financing services	2,057,501	1,449,913	-	3,458	3,510,872
Institutional support	10,003,730	657,682	-	1,392,053	12,053,465
TOTAL	20,250,535	11,179,857	101,858	2,772,764	34,305,015

Remarks
* NORAD (USD 6,413,471 disbursed, equivalent to 81% of envisaged co-financing); the Belgium Survival Fund/BSF (USD 4,766,387 disbursed, equivalent to 97% of envisaged co-financing). Additional funding received from the German Government for HIV/AIDS Workplace Programme (USD 290,585 disbursed, equivalent to 91% of envisaged co-financing) and the EU Food Facility (EUR 1,786,410, equivalent to 97% of envisaged co-financing) all via IFAD.
** Does not include in-kind contribution for infrastructure building (labour, food, material) and work in community commissions.

Number of Beneficiaries

Total	Direct (households)	Direct (persons)	Women	Other	Other
Fishers' households	26,000	100,000	50%	-	-
Coastal community households (incl. fishers families)	100,000	400,000	50%	-	-

Project Objective

Achieve a sustained improvement in the social and economic conditions of artisanal fishing communities in the Project Area.

Country Partners

Executing Agency	Instituto Nacional de Desenvolvimento da Pesca de Pequena Escala (IDPPE)
NGOs/civil society	ADEM, ADS, KULIMA, OLIPA, OPHAVELA, TRIMODER
Fisheries sector	Instituto Nacional de Investigação Pesqueira (IIP) Fundo de Fomento Pesqueiro (FFP) Direcção Nacional de Administração Pesqueira (DNAP)
Other	Direcções Provinciais da Saúde (DPS) Direcções Provinciais da Educação (DPE) Direcções Provinciais das Obras Públicas e Habitação (DPOPH) Fundo de Fomento à Pequena Indústria (FFPI) Sociedade de Investimentos (GAPI)
	Community organizations (for fishery, school and health post construction, road maintenance) and associations (fishery, savings and credit groups, etc.)
	Private contractors for construction works



## **Executive Summary**

PPABAS was the second project in a series of sequential IFAD-supported interventions aiming at promoting the development of the artisanal fisheries subsector in Mozambique.

The first project in the 1990s - Nampula Artisanal Fisheries Project (PPAN) - served mainly to investigate and get to know the subsector, experimenting with potential solutions to identified major development problems and defining the priorities for a policy and regulatory framework to be created. On this basis, the project team in the implementing institution IDPPE, supported by IFAD, concluded that the second project - Sofala Bank Artisanal Fisheries Project (PPABAS) - should use a broad-based multisectoral approach. It was implemented between 2003 and 2011 and is followed by a third project - Artisanal Fisheries Promotion Project (ProPESCA) - that is being implemented using the same structure and many of the same staff and institutions. In ProPESCA, IDPPE is concentrating on fisheries development in seven provinces focusing on 26 artisanal fishery growth centres along the entire coast of the country. It also builds on two complementary artisanal fisheries projects (PPAGI and PPANNCD) also implemented by IDPPE which covered the Northern and Southern coastal strips and close at the end of 2011. Assessing its performance and results in the framework of this long-term development programme and with the benefit of hindsight, throws a different light on its performance than considering it as an isolated intervention.

This PCR is based on reviews of PPABAS documentation, in particular two Tri-Term Reviews (2005 and 2008), the final reports of four Technical Assistance Advisors, Project and Supervision Reports, and the IFAD Country Programme Evaluation 2010. The PCR Task Group derived information from the representative impact surveys conducted in 2005, 2008 and 2011 (final impact study) and the baseline study established in 2002. Two stakeholder workshops, one in 2009 and one in 2011, were held to assess the wider assessment of project performance. Importantly the PCR also draws on primary information that was collected through direct observation and a series of interviews with all stakeholders involved in PPABAS along the project area and in the capital, their assessment of PPABAS's performance.

Given the isolation and almost total lack of public services in the fishing communities at the start of the past decade, PPABAS included the facilitation of social infrastructure works. This helped mobilize communities using the building of schools, health posts, water points and roads as key entry points under its objective of strengthening the targeted fishing communities through fisheries development, market support, financial services, strengthening of mainly public institutions, and development of workplace HIV/AIDS strategies.

PPABAS has more than satisfactorily achieved its objective. Its major achievements can be summarized as follows:

- a) it succeeded in bringing essential private and public stakeholders – from community to District, Provincial and Central government level – to plan and work together in fisheries development and management - this system-building function has fostered participation at all levels and “empowered” different actors – as such it has been recognized by all stakeholders as an innovative effort;
- b) it led the elaboration and establishment of a policy and regulatory framework, and of a corresponding strategy (PESPA 2006), for the long-term development of artisanal fisheries, with crucial elements such as an exclusive 3-mile-zone for artisanal fishing and a closed-season regime differentiated from industrial fishing;
- c) it substantially helped improve social services through training, leading the development of community associations, and investment in public works and services which corresponded to local priorities and the expressed needs of the target population and consequently led to high satisfaction among the target population;
- d) through research and experimentation, it laid the basis for a focused and differentiated promotion of complex artisanal fishing value chains based on real market needs;
- e) it introduced a savings-based financial services model for community groups that was well received in project communities and that has helped establish grassroots microfinance services.

More specifically, major results achieved by PPABAS include:

- substantially improved services in health, primary education and access to clean water sources in over 300 coastal communities; while about a quarter of their households earned their livelihood mainly through fishing, this support improved the living conditions of entire communities;

- the institutionalization of fishers' communities co-management of the regulation and supervision of artisanal fisheries through 65 Fishery Community Councils on behalf of respective District authorities, as a fundamental long-run innovation to maintain and improve their fishing activities;
- the strengthening of 177 associations that have both an economic (savings and credit, fishing, small agriculture, food processing, trade and sale) and social (infrastructure construction, support to orphans, etc.) focus;
- improved knowledge and diversification from research and innovations in artisanal fishing techniques as well as the facilitation of related investments (in motors, improved boats, new fishing gear) through thousands of experimentations, training sessions and demonstrations in 109 fishing centres as well as exchange visits;
- over 3,000 fish processors using improved techniques and more than 1,400 traders using ice, based on increased availability of ice from 12 ice production plants and 4 cold storage plants facilitated by the project as well as increased domestic production of ice following increased outreach of the electricity grid;
- the rehabilitation of 54 access road sections to coastal communities extending over 889 km, with strong social (public services) and economic (sale of fishing and other products) benefits;
- the facilitation of marketing of fishing products with an array of support measures including the construction of 4 municipal fish markets and 10 markets of 1<sup>st</sup> sale close to landing sites;
- the building of financial services, both community-based and formal, in the project area that had been devoid of such services: 1,187 savings and credit groups (ASCAs) have been formed with over 20,000 members, 49% of whom are women. These people have mobilised savings of MZN 15.5 million and provided credit of over MZN 25 million. Over 1,000 formal credits were disbursed, 85% of which for activities related to fishing.

Overall, the project has reached with tangible project services 87,600 persons directly (88% of target) and 438,000 persons indirectly (110% of target), of which 51% were women. 1,702 groups – double the planned number – in 491 communities benefited from the project.

As such, it has substantially and substantively achieved its objective of a sustained improvement in the economic and social conditions of the targeted artisanal fishing communities. Its extension by three years, facilitated by substantial gains from exchange rate adjustments, was a major factor for exceeding the targets.

From the design and implementation of PPABAS, the following lessons can be learned:

➤ *On strategy and design:*

1. When building a sector intervention from scratch – as has been the case in the artisanal fisheries sector in Mozambique since the 1990s – it is advisable to think and plan in terms of a **period** sufficient to reach a significant sector development through scaled interventions, i.e. 20 years and more; particularly in an environment where the government does not assign priority to the supported (sub) sector, time-consuming system-building as well as empowerment from below become paramount – a crucial point for exit strategy considerations at project design that were handled adequately in the case of PPABAS.

2. The **multisectoral approach** of PPABAS has been ambitious, although its design was informed by the preceding PPAN. The more complex the design, the higher the demands on the implementing team. At the design stage, these demands – in particular the challenges for project leadership and implementing capacity – should be spelled out, particularly concerning cooperation requirements between the many partners/stakeholders as well as the timely availability of agreed resource flows and harmonized administrative/procedural requirements that are necessary in such a complex undertaking between GOM and financier. The PPABAS Appraisal spelled out this risk explicitly.

3. The embedding of project management in the pertinent **public agency**, combined with **flexibility** to adjust to the requirements for an optimal achievement of project objectives at different stages, favours institutional learning, ownership and sustainability of results at government level. This is an important lesson. It also tends to bring the project closer to policy formulation and sector regulation, as demonstrated by PPABAS. Financing institutions – including the government – must endeavour to allow for sufficient flexibility in project implementation to adapt to evolving circumstances.

4. PPABAS managed to successfully combine a **bottom-up approach** (community participation) with a **top-down approach** (central government intervention in a framework of increasing decentralization); a project structure with few project personnel in headquarters



(coordinator, financial officer, M&E officer) and strengthened presence in target regions facilitated a conducive combination, establishing complex institutional coordination mechanisms which work.

5. PPABAS belongs to a recent type of IFAD-supported projects that aim at helping the government design essential signposts along the desired development path of a (sub) sector and “**articulate**” different actors to implement policies and strategies designed for this purpose; such **system-building**, rather than maximisation of outreach during project life with often substantial sustainability issues, promises greater long-term development effectiveness of projects.

➤ *On implementation:*

6. **Continuity** in building knowledge on how to intervene to develop the (sub) sector over a prolonged period of time accelerates learning and favours the fine-tuning and optimization of the government’s intervention strategy, particularly when there is consistent project leadership through a succession of projects, each one building on the experiences of the former. This substantially increases the chances for effective (sub) sector intervention (PPAN – PPABAS – ProPESCA).

7. PPABAS’s **sequence** in the implementation of its components has proved to be sufficient for the achievement of its objectives despite initially putting social issues ahead of the core (sub) sector investments. Its entry strategy, initially mobilising support for the largely isolated target population, responded to its most urgent basic needs and acted as a catalyst in the establishment of community organization through public works. The Project then started activities with longer maturities such as artisanal fisheries technology development, financial services development, and institutional support.

8. Since **market development** depends on other project components becoming effective (production in particular), this component was dealt with later in the project. In PPABAS, market development started relatively late (except for the crucial aspect of road rehabilitation). This led to unfinished business at the end of the project, even after the project extension of three years. It is thus recommended to initiate market activities earlier in a project’s life.

9. Institutional support to government agencies has generally created capacities, including co-management arrangements between communities and authorities. However, extension capacities to promote the adoption of more effective and less detrimental **artisanal fishing and handling practices** remained inadequate. These require further strengthening to speed up the dissemination of adequate practices among fishers’ families. This shortcoming may have been a price to be paid for the broad approach and substantial involvement in social infrastructure rather than a stronger focus on fisheries from the start.

10. In a situation where **financial services** have to be built from scratch, as has been the case in the project area, the start with saving groups – rather than microcredit (a lesson from the PPAN) - has proven to be an approach gaining rapid acceptance among target communities. Some ASCAs established associations with purposes that reach beyond savings and credit to, for instance, production and marketing. However, ASCAs quickly meet their inherent limits, requiring the development of/access to formal financial services. From an institutional perspective (regulation of microfinance), it is urgent to implement a conducive regulatory framework which supports the rise of microfinance services.

11. PPABAS, learning from the preceding PPAN, established early on an explicit **monitoring and evaluation system** with the necessary instruments (baseline studies, etc.). While the system needed to be simplified for better applicability during implementation, it has been an advantage for project management to initiate the project with a full-fledged M&E system. One of the three PCU professionals in headquarters was responsible for this function (next to the coordinator and the financial officer).

12. The project concentrated on achieving results and thereby neglected somewhat the **knowledge management** of its approach and achievements to a wider public. Creating goodwill and disseminating good practices more widely can enhance the outreach and effectiveness of good practices of a project beyond its own realm.

## **A. Introduction**

The design of PPABAS substantially benefited from the experiences made by IDPPE with the Nampula Artisanal Fisheries Project (PPAN, 1994 - 2002). This predecessor project was initially implemented with the support of IFAD in two districts (Angoche and Moma). It was later extended to the Mogincual district; all these three districts were in Nampula Province, and the Pebane district in Zambezia Province. It was designed at the same time, and in full agreement with, the first IFAD COSOP (2000, with addendum 2001). IDPPE – and the PPAN project team in particular – was in charge of formulating the Appraisal Report of PPABAS, with the support of international experts.

PPABAS extended the reach of IDPPE's intervention to 17 Districts along 950 km of the coastal strip - the Sofala Bank (in the Provinces of Sofala, Zambezia and Nampula) and its fishing waters to a distance of some 20 km from the coast. The communities targeted were estimated at 26,000 fishers and their families, corresponding to a population of approximately 100,000 inhabitants. When including households not directly involved in fishing, the target group amounted to 100,000 households with some 400,000 people.

It was the intention, at the planning stage, to extend the reach of IDPPE to the entire coast, with the help of other projects. In the second half of the past decade, these materialized in the Northern coast with financing from the African Development Bank and along the Southern coast with the support of Italy and the FAO<sup>1</sup>. Both projects benefited from a transfer of experiences and approaches from PPABAS.

Some major exogenous changes affected the project's performance, first and foremost the far-reaching decentralization policy of the Government of Mozambique (GOM), which transferred responsibilities and authority for public administration and services from the central to both provincial and district levels. Given the broad design of PPABAS, this heightened institutional coordination demands on the Project between public and private institutions from different sectors (fisheries, health, education, roads, etc.). Other major external influences included:

- the rapid expansion of the cellular phone network - this facilitated an increase in the commercialization of artisanal fisheries' products, namely fresh fish, in places hardly served so far even with less perishable products (like dried, salted or smoked fish);
- the expansion of the electricity grid to some towns and villages in the project area that made possible the economic operation of ice plants and cold storage<sup>2</sup>, and put social infrastructure like health posts and schools to better use;
- other projects, like e.g. the IFAD-supported Rural Financial Support Programme (PAFIR) or those supported by other international financing sources, contributed to improve economic infrastructure as well as social and commercial services in some project areas;

All these developments occurred in a framework of continued macroeconomic stability and growth. According to the World Bank Country Brief, the country achieved an average annual economic growth rate of 8 per cent between 1996 and 2008, the highest among African oil-importing countries. This led to a reduction in overall poverty. However, but in the past few years, poverty reduction seem to have stagnated.

The elaboration of this PCR has benefited from the following sources of assessment of the different project components: the First Tri-Term Review (TTR) Report of January 2006, the Second TTR Report of mid-2008, the data from three impact assessments compared to a baseline study (2002 – 2005 – 2008 – 2011) and respective impact studies, the Final Reports of four Technical Assistance Advisors, minutes from the Project Steering Committees meeting twice a year in each Province, Supervision Reports (from UNOPS and IFAD), two evaluative stakeholder workshops in Maputo (September 2009 including regional workshops; September 2011, see Annex VI), the IFAD Country Programme Evaluation (CPE 2010) and the interviews conducted by an external consultant as part of the preparation of the current PCR.

All three Project Reviews (both TTRs and the project completion review) included field visits of between 10 and 16 days with direct observations and interviews with all groups of stakeholders, and beneficiaries in particular<sup>3</sup>. While these assessment did not – for lack of time and resources – apply

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<sup>1</sup> The Northern Nampula and Cabo Delgado Artisanal Fisheries Project (PPANNCD) and the Gaza and Inhambane Artisanal Fisheries Project (PPAGI), both closing at the end of 2011.

<sup>2</sup> To date very few cold storage plants privately owned have been established in the project area but where access to the electricity grid has been provided home production of ice and its sale have surged.

<sup>3</sup> The consultancy to assist the preparation of this report took place from 22 August to 9 September 2011, of which ten days in the field between Quelimane and Nampula, meeting and seeing:

representative sample surveys similar to PPABAS’s impact studies, they did allow broad and sufficiently balanced insights into the project’s performance.

**B. Project Description and Implementation Arrangements**

The overall goal of PPABAS has been to achieve a sustained improvement in the economic and social conditions of the targeted artisanal fishing communities.

The purposes of the Project were to (i) empower and create capacity in fishing communities to take increased responsibility for local development initiatives, including implementing social infrastructure and service activities, and sustainably managing marine resources; (ii) improve the access of artisanal fishers to the fish resources of the Sofala Bank, and promote their sustainable and commercially viable use; (iii) improve the linkages of artisanal fishing communities to input and output markets; (iv) increase the availability of savings facilities and small loans to artisanal fishers, increase business opportunities for traders with linkages to fishing centres, and improve services to fishers through access to finance by local small-scale enterprises; and (v) improve the enabling environment for promoting and supporting artisanal fisheries development.

PPABAS assimilated, in its design, the major lessons learned from the preceding PPAN, namely:

- an integrated approach to fisheries development, tackling fisheries problems from a community perspective (people rather than fishing activity), allowing to deal with their major constraints and opportunities;
- the up-taking of technologies through experimentation and validation proved to be dependent on complementary factors like the opening of markets, proven methods of processing, access to inputs and financial services, etc.;
- a better sustainable supply of fisheries inputs is best achieved through incentives to commercial agents;
- bottom-up financial services supply through savings-based groups promise more sustainability than microcredit schemes, and access to larger formal loans proved crucial for larger investments;
- community-based fishery councils (CCPs) have been critical both in introducing sustainable resource management practices and in local conflict resolution;
- project-supported policy and legislative improvements depend for their effectiveness on workable methods and structures to enforce them;
- a system of incentive payments is essential for retaining good staff and encourage them to perform effectively.

In the course of early implementation, four modifications were made to the components: (i) a sub-component dealing with Village Group and Association Promotion was introduced into Community Development, because of its importance not only for fisheries concerns but also for social infrastructure construction and maintenance; (ii) the Co-Management Sub-Component was transferred from Community Development to the Fisheries Development Component; (iii) the Credit to Town Traders sub-component was dropped as a separate activity from the Financial Services Component; and (iv) a workplace HIV/AIDS Programme was added, with supplementary grant funding from IFAD. In this modified form the Project had six components and 14 sub-components:

**Table 1: PPABAS Components and Sub-Components**

<b>Component A: Community Development</b>
Sub-Component A.1: Community Mobilisation and Social Infrastructure
Sub-Component A.2: Community Health Care Services
Sub-Component A.3: Fishing Group Associations (transferred to B1)
<b>Component B: Fisheries Development</b>
Sub-Component B.1: Co-Management of Fishing Resources (CCPs)
Sub-Component B.2: Management of Fishing Resources
Sub-Component B.3: Promotion of Diversified Fish Production
Sub-Component B.4: Processing, Conservation and Losses Post Capture

- beneficiaries: Fishers associations, CCPs, School – Health – Water commissions, ASCAs;
- service providers: financial service training providers and FFPI;
- fishery technology: boats, input shops, nets, ice plants, ice boxes, operators-demonstrators;
- public works: schools, health posts, water points, rehabilitated roads, association and CCP seats;
- market places: markets of first sale; municipal markets for sale of fresh and processed fish;
- authorities: provincial (health, education, roads, water, fishery); district (administrators); municipal (markets); central (Ministry of Fisheries; IIP, FFP)
- IDPPE: head office, PCU, two IDPPE Delegations, IDPPE extensionists

<b>Component C: Market Support and Roads</b> Sub-Component C.1: Trading and Markets Sub-Component C.2: Roads Rehabilitation and Maintenance
<b>Component D: Financial Services</b> Sub-Component D.1: Savings and Credit Groups Sub-Component D.2: Formal Credit
<b>Component E: Institutional Support</b> Sub-Component E.1: Support to Legislative Initiatives Sub-Component E.2: Institutional Support Sub-Component E.3: Project Management
<b>Component F: Workplace HIV/AIDS Programme</b>

The multiplicity of (sub) components implied a conglomerate of different, not always mutually exclusive final beneficiaries. Recorded by (sub) component, the Project’s approximate outreach (beneficiaries reached) has positively affected almost 600,000 people based on the following activity achievements (for further details, see annex V):

**Table 2: Project outreach to different beneficiary categories (selection)<sup>4</sup>**

(Sub-) Component	Beneficiary category (of activities induced / co-financed by the project)	Approx. outreach
Education	Children taught in 25 schools built and 84 teachers trained	32,700
	Adults taught by 722 literacy trainers	11,700
	Persons trained for 29 community school commissions	356
Health	Population coverage of 19 health posts and 312 health staff who helped vaccinate 1.2 m children	570,000
	Community health agents trained	438
	Persons trained for 22 community health commissions	298
	Births attended by 352 midwives trained	22,200
Water	Families benefiting from 303 water points installed	19,260
	Persons trained for 301 community water commissions	3,612
Access roads	People benefiting from 44 sections (889 km) of access roads rehabilitated	over 500,000
Associations	Group members trained of the 177 associations promoted	2,956
	Members of 65 established CCPs trained	1,868
Improved fishing techniques	Fishermen trained on 17 improved boats for experimentation/ demonstration and on building improved gears in 109 fishing centres by 193 trained operators	1,725
Processing	People trained in demonstration centres using improved techniques	3,245
	Persons instructed in the use of ice (70% using it correctly)	2,082
Marketing	Members of 14 new community market committees	166
Formal credit	Individual credits for fishing (39%) and processing and sale (46%)	782
Saving groups	Members of 1,187 informal savings and credit groups established	20,077

Overall, the project calculated to have reached with tangible project-induced services 87,600 persons directly (88% of target) and 570,000 persons indirectly (110% of target), of which 51% were women. 1,702 groups – double the planned number – in 491 communities benefited from the project.

PPABAS contributed to the rapid increase of fishing capacity in the project area, recorded between 2002 and 2007, of:

- fishers : from 42,658 to 88,809, particularly those fishing from and near the coast (from 2,200 to 38,483)<sup>5</sup>
- carpenters/boatbuilders : from 1,435 to 2,406
- number of boats : from 9,047 to 20,318

<sup>4</sup> For more detailed specification, including compliance with Appraisal targets, see Annex VI.

<sup>5</sup> It is not clear, however, whether this increase was also due to a possibly enlarged coverage of the survey in 2007.

Processing units increased from nearly 4,000 in 2002 to almost 10,000 in 2011.

Furthermore, marketing infrastructure, built towards the end of the project and beyond (including the ProPAPA investment by the EU, see section E), meant a further outreach of both fresh and processed products into large inland markets like Nampula. The project facilitated the construction of 10 first points of sale markets close to landing sites and 4 municipal markets.

## C. Project Strategy and Approaches

### *Strategic approach*

The designers of PPABAS faced a major strategic choice: between an approach which focused on developing artisanal fisheries as a strategy for the socio-economic development of the fishing communities along the Sofala Bank, on the one hand, and a broader approach which included wider infrastructural improvements and basic social services along with, and in parallel to, artisanal fisheries development, on the other. Both approaches had their advantages and disadvantages:

- A stronger focus on fisheries and related services implied a higher specialization of PPABAS/IDPPE in its core mandate and would have promised a faster dissemination of improved fishing techniques and commercialization as well as a more rapid development of *economic* infrastructure (access roads, electricity), thus empowering fishers' communities to improve, through higher incomes, their living conditions while increasingly protecting, at the same time, the fishing resources in the artisanal fishing areas close to the coast; basic social infrastructure (health, education, water supply) remaining outside the concern of the project would have implied a slower improvement in respective social MDG indicators in the project area and benefits more focused on families involved in fishery value chains<sup>6</sup>.
- PPABAS's however adopted broader, more inclusive approach that allowed IDPPE to respond to the top priorities for community improvements of the targeted communities. These included social infrastructure works (with quick implementation periods) that were vehicles for communities to mobilize and organize themselves around tangible collective investments. Financing such "non-core" PPABAS activities helped establish credibility for core project activities (like CCPs). Furthermore, since fishing is an activity implemented by men, the inclusion of social investments brought tangible benefits to women and children more quickly than an approach focused on fishery investments alone. The price to be paid for these advantages was that much effort needed to be invested into institutional coordination with a broad range of public and private entities. Also with substantial financial allocations going outside the fisheries sector, less resources and focus have been available for fisheries research, technology dissemination and marketing promotion.

A further important element of PPABAS design has been the fact that both design and implementation have been done by the GOM entity responsible for the subsector of artisanal fisheries, rather than by an externally led design team and an isolated project unit. Correspondingly, PPABAS has been implemented within the mainstream mechanisms of Government at National, Provincial and District levels, during a time of decentralisation and devolution of authority to the District level. This has promoted both national ownership of the process of developing artisanal fisheries along the coast as well as the linkages between IDPPE and the Districts. This helped strengthen permanent structures. Next to IDPPE, other public entities like the Fisheries Research Institute (IIP), the National Fisheries Administration (ADNAP), and to a lesser extent the *Fundo de Fomento Pesqueiro* (Fisheries Promotion Fund) were also empowered to deliver more comprehensively on their mandates.

In addition, this appropriation of the respective development processes by the authorities from the top (Central Government agencies, Provincial and District authorities) has been combined by the Project with the building of grass-roots capacity (bottom-up), as demonstrated by the promotion and establishment of Fisheries Community Councils (CCPs). These Councils composed of elected community members – fishermen basically – guide and supervise the fishing activities in their communities. Once legally established, District authorities transfer to them the task of issuing artisanal fishing licences, a quasi-public function. This combination of "top-down" and "bottom-up" elements has been a distinctive feature of PPABAS.

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<sup>6</sup> According to the Appraisal Report, at the start of the project, around one quarter of families in coastal communities were involved in fishing.

By choosing the second approach mentioned above and by encouraging the participation of women in group activities (community work committees, savings and credit groups, fishers associations), PPABAS has followed a policy of inclusion of women and has been able to address their priorities (clean water supply, health services, schools) using grass-root structures. This has also facilitated the gender based roles between men and women in the fish value chain - men engaged in catch, women in processing and commercialization.

The application (or replication) of one or the other of the two mentioned strategies depends basically on the circumstances at the start of a project intervention. It made sense to start with a broad approach as PPABAS did, but in the present circumstances along the Sofala Bank with its mushrooming of artisanal fishery activities, a stricter focus on the technical and environmental challenges along the entire value chain is indicated for the long-term development of this sector.

### ***Implementation approaches<sup>7</sup>***

The Project designed and followed a needs-based and result-oriented approach, coordinated by IDPPE headquarters and three of its Provincial Delegations that established subsidiary agreements with a number of implementing agencies at National, Provincial and District levels. Key elements of PPABAS strategy for implementation have been: (i) active participation of the stakeholders, principally the prospective beneficiaries in fishing communities, in all phases of the Project - planning, implementation, monitoring and evaluation; and (ii) in light of the integrated approach to development chosen for the remote coastal areas, the active involvement of the appropriate collaborating institutions from Government – at the Central, Province or District level – and from the NGO and private sectors, as implementing agencies, contractors or service providers.

The approach to participation and involvement has been based on a sequential process that entailed: (i) validation of 55 geographically discrete Planning Areas (PAs) in the 17 project Districts, each with one to four fishing centres and surrounding communities where fishers' families live; (ii) conduct of participatory rural appraisals (PRAs), problem analysis/solution exercises and preparation of action plans in each PA; (iii) elaboration of an Annual Work Plan and Budget (AWPB) at District level; and (iv) subsequent consolidation of plans at the Provincial and central levels.

For the implementation of the components, the following approaches were applied:

➤ **Community Development:** Under the integrated strategic approach, annual planning sessions with community participation were held. In the first phase, Community Action Plans were elaborated and agreed upon. Implementation agreements concerning works for schools, health centres and water wells were established with the Provincial Directorates of Health, Education and Public Works and Housing. Each sector was responsible for the planning and implementation of the activities defined in the AWPB, in the hands of the Provincial Directorates and/or their District counterparts. The design, community mobilisation, survey, supervision and construction were contracted to NGOs or private sector contractors. Water well construction, civil works, community participation and education, and surveillance activities were tendered separately and contracted to local firms (for civil works and surveillance) and NGOs (for community participation and, later, civil works as well). For schools and health unit construction, communities contributed labour and local materials while the works were mostly under the responsibility of a local contractor, and IDPPE (increasingly with support from some partner NGOs) was involved in input supply (cement etc.), logistics, technical support and supervision.

IDPPE extensionists' support of group, association, committee and commission formation and empowerment was supplemented initially by contracted assistance from the NGOs OLIPA and TRIMODER. Subsequently, IDPPE assumed these tasks fully. Agreements with Provincial Directorates included support for the operationalisation of infrastructures and the provision of equipment (school furniture and hospital equipment) and services (training of school teachers, adult literacy, training of health staff and traditional midwives, support to vaccination brigades).

➤ **Fisheries Development:** For this component, designed to improve access for artisanal fishers to fishing resources, the sustainable use of these resources, and the experimentation and transfer of improved fishing techniques and post-catch product handling, IDPPE signed implementation agreements with IIP for research on fisheries resources to improve knowledge and a better handling of fishing resources at all levels, and with ADNAP for the community co-management sub-component. A specific consultancy was carried out on the legal set-up regarding the co-management process. Involved parties were trained concurrently, both at community and institutional levels.

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<sup>7</sup> See table 1 for (sub)components.

Aspects linked to fishing and fish technology for diversification purposes were dealt with directly by IDPPE, with its own resources both at headquarters and in the Provinces. This included the establishment and operation of a network of extensionists. PPABAS also contracted the support of a Fisheries Technologist. As recommended by the first TTR, foremost priority was given to this component in the second half of the PPABAS so as to (i) promote open sea fishing through motorisation and simultaneously reduce fishing effort by beach seines; and (ii) reduce post-harvest losses and promote the use of good practices in fish handling, processing and marketing.

➤ **Market Support and Roads:** The Sub-Component on Trading and Markets was implemented by IDPPE in collaboration with the District and Municipal councils for the construction of market facilities, and with FFP for pilot ice-making plants. During implementation, PPABAS became aware of the importance of installing first point of sale markets at landing sites and helped build 10 of them. For the Roads Sub-Component, implementation agreements were signed with Provincial Directorates for Public Works and Housing for construction, rehabilitation and maintenance of access roads. In this component works were carried out according to AWPBs by contracted local construction companies. Community-based construction has been tried in some cases. With some success, PPABAS also engaged the services of consultancies in both Market Development and Rural Roads Construction. All these construction activities were promoted through community participation as well as training of personnel in the pertinent Provincial Directorates. An exhaustive Value Chain Analysis helped design a middle- and long-term path for the improvement of artisanal fishery products marketing.

➤ **Financial Services:** The implementation of the informal Savings and Credit Sub-Component has been contracted at Provincial level to the NGOs OPHAVELA and ADEM, in Nampula and Sofala Provinces respectively; and to KULIMA, for Zambézia Province. Benefiting from pilot credit-based experiences of the preceding project, PPABAS opted for new modalities, putting savings first. This approach encountered great acceptance, especially among the more vulnerable of the Project's beneficiaries. For the Formal Credit Sub-Component a tri-partite Agreement was signed between IDPPE, FFP and FFPI, for the management of the Sub-Component by FFPI. A lack of adequate implementation, with unsatisfactory results in Nampula and Zambézia, led to changes in the financial technology and improved results. The achievement of satisfactory results in terms of portfolio performance and outreach in Sofala demonstrated the feasibility of a formal financial services supply for fishing activities.

➤ **Institutional Support:** Activities were regularly carried out by the Project, including annual planning and review sessions at District and Provincial level. District Committee Councils and Provincial Steering Committees were set up and met on a bi-annual basis. Annual Meetings of PPABAS financing partners (GOM, IFAD, NORAD, and BSF) were held until IFAD assumed direct supervision. This meant that such coordination was held twice yearly during Implementation Support and Supervision Missions. A study on reformulation of the national strategy for development of small-scale fisheries was carried out by a consultancy team, as well as a consultancy on statistics for artisanal fisheries. Both these studies proved to be useful in advancing the associated policy discussions.

Support for Legislative Initiatives was largely implemented by IDPPE headquarters team and the three Provincial Delegations, while Institutional Support also involved the other major fisheries sector institutions at both Central and Provincial levels. Annual meetings were held with all implementation partners. Project Management has been the responsibility of the Project Coordination Unit (PCU) with its team of staff and Technical Assistants, and their counterparts at Provincial level. M&E was undertaken at the PCU with the support of M&E officers in each Provincial Delegation. All Project accounting and reporting activities were undertaken by the PCU.

➤ **HIV/AIDS Component:** This component was implemented by IDPPE but involved the entire Ministry of Fisheries. The three key elements of the intervention have been: (i) workplace programme in the Ministry of Fisheries; (ii) diagnostic skills building in the PPABAS project area; and (iii) direct PPABAS project area HIV/AIDS interventions. It was assisted by a South African consulting group which designed the HIV/AIDS strategy for the fishery sector in which the focal points were also provided with training in programming actions to combat HIV/AIDS.

#### **D. Assessment of Relevance**

Mozambique features a long coastline with substantial socio-economic development potential in terms of fishery, agriculture and tourism. The middle third of it – Sofala Bank – is densely populated and characterized by high poverty. In this area, PPABAS nurtured empowerment in terms



of community organization, technical knowledge, training in social and economic matters, and investment and it facilitated the establishment of related social and economic infrastructure. It also introduced and supported improvements in the regulatory framework for artisanal fisheries, thereby contributing to compliance with the Fisheries Protocol. This was signed by the member countries of the Southern African Development Community (SADC) in 2001, and has been in force since 2003. At a national and Southern African regional level, PPABAS has been a relevant actor at the interface between maritime resource management and poverty-reducing development.

Beneficiary groups have been asked for their overall assessment of the contributions planned and facilitated by PPABAS (see also Annex VI). It has been found that, basic community infrastructure improvements, facilitated in response to priorities expressed by the communities, led to a high degree of satisfaction. This was with respect to both social and fishery value chain related structures and services provided by the project. It is evident from the project results (see below and Annex V) that both the project objective and its purposes have contributed to reduction of poverty among the project’s target group through access to one or more of the project initiatives (improved nutrition, access to clean water and/or health services, increased fish catch and handling, processing and sale).

There are implementation-related factors which affect the use, and therefore immediate relevance, of project support to the target population:

- Several basic needs of the population in the project area remain unsatisfied, and PPABAS was unable to respond to the all these large needs. For instance, in one surveyed community the access to the newly built school – the pride of the community – is possible only over a highly precarious footbridge which causes frequent accidents. In the same community, the installed water pump, which failed as a consequence of a technically faulty installation (sand clogs), did not provide clean water to a newly built health post. In another visited case, the fishers association APIMA still lacks electricity, drinking water, a school, ready access to fishing material inputs, and boat motor maintenance and banking services in its area. In other communities, a school could be built but not a health post, and vice versa. Overall, however, in most visited communities, the schools, health posts, water pumps and associations, etc., were all working and in use.
- It has been more difficult to find out about the relevance of the improvements in fisheries techniques and the still largely immature value chain improvement. While interviewed fishers expressed their satisfaction about their catch and sales, an increasing number were also found to be using precariously built ice boxes from old refrigerators. The fishing activity is complex and subject to environmental and technical changes which cause substantial migration of fishermen to other places. In several respects, it was difficult to follow project based improvements brought about by PPABAS. The rapid rise of artisanal fishing along the Sofala Bank points to a strong development since 2002. This development also increases the danger of depletion of fish resources along the beach, through the use of beach seines.
- PPABAS’s strategy to improve fishing techniques (including the use of nets that allow juvenile fish to escape) and thus combine a substantially expanded artisanal fish catch with building local capacity to control the catch and preserve reproduction capacity has been a highly relevant intervention. These important initiatives are still in an initial stage (e.g. the capacity to monitor and control artisanal fish catch, through IDPPE’s extension network and the CCPs).
- Empowering local groups to recognize risks (environmental and other), defend their interests and develop own activities are a fundamental requirement for creating and enabling sustainable development processes. The project’s bottom-up approach, combined with enabling interventions “from above” (at policy and regulatory level, at public institutional level) has facilitated and enabled these essential processes of sustainable artisanal fisheries development to be started in the project area.

While there is little doubt about the pertinence of the project strategy in responding to the needs and development requirements of the targeted fishers communities, qualifications on the effectiveness of project interventions arise basically from limitations in project resources and implementation capacity at the elementary stage of development in the targeted fishers communities and from the quality of (construction, financial, social) service providers.

**E. Project Costs and Financing**

Table 3 presents Project expenses compared to the original and revised budgets.

Table 3: Original and revised Project budget and total expenses (USD ‘000)

(Sub)Component	Original budget (1)	Revised budget (2)	Total expenses (3)	% (3) / (2)
<i>Community Development</i>				
Co-management, community Mobilisation and infrastructure	5,600.8	6,455.9	4,365.9	68
Community Health Care Services	1,829.7	3,134.3	3,287.3	105
Support to Associations	-	892.3	428.6	48
<b>Subtotal Community Development</b>	<b>7,430.5</b>	<b>10,482.5</b>	<b>8,081.8</b>	<b>77</b>
<i>Fisheries Development</i>				
Sustainable Use of Resources	1,631.6	2,003.2	1,563.6	78
Promotion of Diversified Fish Production	1,742.4	2,167.3	1,792.4	83
Post-Harvest Utilization	1,095.7	1,360.9	364.1	27
Co-management of Fish Resources (CCPs)	-	736.9	171.5	23
<b>Subtotal Fisheries Development</b>	<b>4,469.7</b>	<b>6,268.3</b>	<b>3,891.6</b>	<b>62</b>
<i>Market Support</i>				
Support to Input and output Markets	1,069.3	1,351.8	1,851.7	137
Access Roads Rehabilitation and Maintenance	4,298.5	5,640.2	4,915.6	87
<b>Subtotal Support Markets</b>	<b>5,367.8</b>	<b>6,992.0</b>	<b>6,767.3</b>	<b>97</b>
<i>Financial Services</i>				
Savings and Credit Groups	-	869.9	1,678.0	193
Institutional Credit	2,044.2	1,770.1	1,832.9	104
<b>Subtotal Financial Services</b>	<b>2,044.2</b>	<b>2,640.0</b>	<b>3,510.9</b>	<b>133</b>
<i>Policy, Legal and Institutional Support</i>				
Policy and Legislative Initiatives	762.0	1,045.5	420.3	40
Institutional Support to IDPPE	4,282.1	5,803.8	8,780.4	151
Project Management	4,016.3	4,318.6	2,852.9	66
<b>Subtotal Policy, Legal and Institutional Support</b>	<b>9,060.4</b>	<b>11,167.9</b>	<b>12,053.5</b>	<b>108</b>
<b>Total Baseline costs</b>	<b>28,372.6</b>	<b>37,550.8</b>	<b>34,305.1</b>	<b>91</b>
Contingencies	2,304.5			
<b>Total Project Costs</b>	<b>30,677.1</b>	<b>37,550.8</b>	<b>34,305.1</b>	<b>91</b>

IFAD committed 59% of overall planned project funds, of which 97% (USD 20,250,535) were disbursed); NORAD contributed 19% to total project budget, 81% of which (USD 6,413,471) were disbursed, mainly for the market and financial services components<sup>8</sup>; BSF committed 14% of overall project funds, 97% of which (USD 4,766,387) were disbursed, mainly for community development; GOM committed 8% of total project funds, of which 78% (USD 2,772,764) were disbursed, mainly for taxes and customs duties. Not included in Table 3, project beneficiaries were expected to

<sup>8</sup> The Government of Norway approved at the start of the project a contribution in NOK equivalent to USD 5,837,500 at that time. Due to exchange rate fluctuations, the USD equivalent of the Norwegian contribution increased to USD 7,650,000 in September 2008 and the related financing agreement between Norway and IFAD was amended accordingly.

contribute 0.4% of project costs, 36% of which were contributed<sup>9</sup>)<sup>10</sup>. In addition, IFAD channelled and approved in 2004 a grant, contributed by the German Government, of USD 320,550 to combat HIV/AIDS in the Project's workplaces. The program was implemented over three years (until mid-2007) and spent 90% (USD 290,585) of the assigned amount.

Fluctuations in the exchange rate resulted in increased USD value of contributions fixed in different currencies at the start of the Project, of around 20% in the overall USD value of resources for the entire PPABAS. These additional funds provided the financing for a Project extension of two and half years.

In addition, as a consequence of food price rises since 2008, the EU decided to support poor countries through a special "Food Facility". In Mozambique, it co-funded the GOM Food Production Action Plan (ProPAPA, October 2009 – December 2011), an initiative implemented through IFAD projects including PPABAS (mainly its market support component). ProPAPA overall budget amounted to Euro 4,757,850, a third of which (Euro 1,786,410 or 97% of allocated budget) has been channelled through and operated by PPABAS (not included in Table 3). This financing facilitated a smooth transition from PPABAS to IDPPE's new Project ProPESCA designed with IFAD assistance in mid-2010 and signed in March 2011, which targets 26 fishing growth centres along the entire marine coast of Mozambique.

The second TTR in mid-2008 took stock of the project's development and made a series of operational recommendations for reaching its objective, reflected in the revised budget proposal:

- increase community health care services, namely the inclusion of repairs of health facilities (including some damaged by a cyclone in 2008), and help ensure that health centres are adequately staffed and equipped;
- strengthen associations in performing economically viable activities and clarifying their role relative to CCPs;
- move the promotion of fishing groups associations to the Fisheries Development component;
- strengthen the CCPs, including their enforcement capacity of regulations;
- intensify the monitoring of fishing effort and catch for better policy application;
- continue developing fishing and processing technologies and encourage the adoption of proven new technologies and the elaboration of related business plans;
- complete value chain study and intensify the use of ice;
- complete road construction and re-survey existing roads and repair, or upgrade as necessary;
- formalize and support ASCAs and strengthen formal credit management;
- support the construction of IDPPE's Provincial Delegation headquarters for Sofala Province;
- improve accountability in the implementing agencies to allow regular replenishment of special accounts and more timely transfer of funds to implementing agencies;
- phase out foreign technical assistance and replace with local TA where still needed;
- implement proposed refinements to M&E, procurement, accounts and audit procedures.

Total Project expenses compared to the revised budget of 2008 show that:

- the project reduced its overall investment in the community development component as of 2008 (with the exception of health), shifting the attention to other components;
- expenditures for fisheries development remained short of even the original budget, as these activities required much testing, training and complex dissemination, this latter aspect being also reflected in IDPPE's institutional strengthening subcomponent budget (e.g. the network of 52 extensionists);
- market and road rehabilitation support as well as financial services support intensified;
- IDPPE institutional strengthening support, which included part of Project management cost, was fully maintained, reflecting the full working of IDPPE/PPABAS to complete pending tasks for complying with the Project objective.

The Project's fiduciary management encountered serious difficulties during implementation as a consequence the following main issues:

- the Loan Covenant that IFAD considers taxes to be ineligible expenditures, complicating substantially the payment of bills from the funds of two different entities (IFAD and Government);
- the often late provision of counterpart funds (customs fees, VAT release) causing substantial delays in project activities;

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<sup>9</sup> This contribution has been incompletely registered, not counting in-kind contributions.

<sup>10</sup> Annexes IV and V present disbursements by component and category, respectively.

- contract and procurement norms not well adapted to dealing with a multiplicity of service providers with often small payments, requiring an inordinate effort to collect and transmit justifying documents in the field Delegations;
- too high a minimum threshold for IFAD WA submission causing liquidity constraints.

The financial management system applied by PPABAS has not been well adapted to the complexity of the project, leading to frequent difficulties. Once IFAD assumed the supervision directly (as of 2008) and perceived these difficulties more closely, systems and procedures were gradually reformed. From 2009 onwards, the Project started applying revised and improved procurement norms of GOM. The financial management system, too, was improved with the support of IFAD although the continued use of an excel based accounting system was a key contributor to these problems.

## **F. Assessment of Efficiency**

One measure to compare efficiency between IFAD-supported projects has been the ratio of total expenses divided by the number of direct beneficiaries. This measure reached in PPABAS a “cost” of USD 3,840 per beneficiary, which is within the range observed in other IFAD projects. However, given the wide array of benefits for different groups (see table 2) in PPABAS, the boundaries between direct and indirect (economic) benefits are in several respects hard to define. The definition of direct beneficiaries being an inexact science, the information value of ratios like the one just indicated should be taken with care.

The CPE 2010 stated that the efficiency in the contracted service providers and implementation arrangements “has improved over time, and has generally been superior when implementation was managed by a full-time programme facilitation unit”, as was the case with PPABAS, although its PCU does form part of IDPPE. The CPE mentions PPABAS as one of the two best IFAD-supported performers in terms of delivering quantitative targets on time. One of the reasons for this has been the fact that PPABAS has emanated from a former IFAD-supported project in the same counterpart institution, i.e. the continuity in management and the learning processes enabled by it.

This continuity is likely to be responsible also for the relatively short interval between Loan signature and Loan effectiveness of PPABAS (7 months).

The CPE also observed differences in efficiency amongst thematic areas, which may be explained by varying performance of service providers. “Activities within the core mandate of public institutions tend to perform better than activities at the margins of their institutional mandates, e.g. those in the private sector domain.” A key finding of the project completion process confirms the CPE’s finding that social infrastructure “has achieved design targets and been implemented with unit costs and a quality comparable to national standards, with occasional issues related to the quality of the structures and services provided. Road construction and rehabilitation were generally implemented within existing national cost norms and standards”. It must be stated, however, that national standards are not necessarily examples of efficiency: in PPABAS, the speed of construction has been slow and construction quality not always sufficient (observed in new market places, ice plants, water wells). Both the responsible authorities and the PPABAS considered the quality of contractors to not always be at the required levels of compliance – e.g. some contractors offer their services at too low a price to be able to comply in time and with the required quality standards –, institutional cooperation arrangements and procedures to place construction mandates have also consumed (too) much time.

For economic infrastructure like markets and ice plants, their construction late in the project life (still on-going, co-financed by an EU contribution) did not allow a final assessment of efficiency. Most markets visited in September 2011 were not yet in operation (see corresponding indicators in Annex V); two large municipal markets were behind schedule in construction, and two markets in operation showed already non-marginal damages after one year in operation (i.e. insufficient construction quality and/or insufficient exertion of authority by market committees).

PPABAS’s duration has been extended by three years to enable it to use exchange rate gains and also some supplementary EU funding. In view of the long-term processes required to support the development of artisanal fisheries in the country, this extension has not been an indication of inefficiency in complying with project targets but rather than an opportunity to complement good project performance by the counterpart institution/PCU with forward-looking activities.

G. Review of Project Output

This section summarizes the principal outputs of the different (sub) components, first the physical outputs achieved and subsequently the number of persons involved in different project activities.

Table 4: Planned and achieved physical outputs

Component		Appraisal target	Total achieved	%
Community Development	Schools built	25	23	92
	Classrooms concluded	95	98	103
	Houses for teachers constructed by entrepreneurs	95	98	103
	Houses for teachers constructed by community members	2	4	200
	Classrooms with equipment	95	91	96
	Health units concluded	18	18	100
	Staff houses constructed (by NGOs or contractors)	16	37	231
	Staff houses constructed by community members	2	2	100
	Water points constructed by entrepreneurs	296	301	102
	Community water points constructed	57	17	30
Fisheries and Market Development	Improved boats for trials/demonstrations in open sea fishing constructed	n.a.	17	-
	Improved ice boxes introduced	120	210	175
	Markets of 1 <sup>st</sup> sale built	3	10	333
	Municipal markets constructed	3	4	133
	Ice plants established	3	12	400
	Commercial shops selling fishing gears	17	12	71
Access Roads	Sections rehabilitated with community participation	14 (155 km)	10 (80 km)	71 (52)
	Sections rehabilitated by entrepreneurs	25 (485 km)	34 (809 km)	136 (167)
	Sections maintained by entrepreneurs	24 (419 km)	10 (264 km)	42 (63)

These results reflect the priority given by the project first to community development and subsequently to laying the infrastructural basis for establishing and developing marketing channels for the broadened fish catch.

The following tables summarize project outputs related to number of beneficiaries. A more detailed account of outputs is given in Annex VI. For the number of beneficiaries reached, see table 2 above.

A. Community Development

Table 5: Community commissions

	Planned	Esa- blished	Members trained			Planned
			♀	♂	Σ	
For health posts	18	22	58	158	216	270
For schools	25	29	109	247	356	240
For water wells	296	301	1,,444	2,167	3,612	588
For roads	n.a.	10	21	119	140	n.a.
For markets of 1 <sup>st</sup> sale	3	4	14	89	103	30
Total	342	366	1,646	2,780	4,427	1,128

Table 6: People trained

Skill group	Planned target	Trained	♀	♂
Technical personnel	713	280	36	244
Traditional birth attendants	585	317	317	0
Health promoters	375	337	172	165
Nutritionists (mothers)	274	151	151	0
Teachers trained	60	84	?	?
Literacy trainees trained	830	722	?	?



Picture 1: Children now attend school in improved facilities (Moma-Nampula)



Picture 2: Members of committee involved in construction of health clinic (Pebane-Zambézia)

**B. Fisheries Development including Marketing**

In the area of monitoring of fish catch as a basis for the management of fishing resources, the Project – IDPPE and IIP – enabled, through institutional support, an extension of Districts covered by catch statistics from 12 in 2003 to 16 in 2011. While in 2003, none of the coasts of any Province was statistically covered entirely, this changed in 2011 to total coverage of the marine coast of the Sofala Bank (i.e. three Provinces). The Project/IDPPE facilitated and collaborated in the elaboration of 105 reports on the state of artisanal fishing resources along the Sofala Bank.

**Table 7: CCPs and Associations**

	Planned	Established	Members		
			♀	♂	Σ
CCP	55	65	88	1,780	1,868
Fishers Associations	160	177	1,028	3,572	4,600

PPABAS trained CCPs and Association members in management and technical aspects. 18 CCPs have legal status, built their own premises and licensed almost 10,000 fishing units.

**Table 8: Diversification of artisanal fishing**

	Planned target	Trained
Carpenters building improved boats	55	57
Trainers instructed in improved traditional fishing, motorized fishing, by-catch collection	136	173
Fishermen trained in improved fishing techniques	729	1,725



Picture 3: Fishing with improved gears



Picture 4: Using improved Moma boat enables fishing in the open sea



Table 9: Processing of fishery products

	Planned	Sessions	Members		
			♀	♂	Σ
Improved techniques	180	197	496	3,319	3,815
Use of ice	180	97	479	1,603	2,082

In processing, PPABAS established, as planned, 24 demonstration centres. It estimates that of the people trained in the instruction sessions, 85% use the improved techniques. This includes the use of ice. The estimated annual production of ice for use in artisanal fishery has come up from an insignificant amount to 150 t/year.



In order to improve commercialisation of fish products, PPABAS arranged the installation of:

- three experimental ice production and storage plants; nine additional ones and four cold storage containers are being facilitated at present by ProPAPA (to be installed in the markets and points of first sale);
- four ice storage facilities operated with solar energy . In these cases, the property of the plants is with the government but the operation is in private hands.

PPABAS tested a number of ice boxes – imported and locally produced ones – and made, in 2011, improved imported ice boxes available at a subsidized price for their promotion by ProPAPA through the commercial network to replace existing, less efficient ice conservation methods.

To promote access to inputs for the fish value chain, PPABAS facilitated access to credit for larger and small sellers and provided incentives for expansion of activities of commercial input providers, including for the import of fishing boat motors (see data in next paragraph).



The extension of the originally planned three municipal markets to four plus 10 markets of 1<sup>st</sup> point of sale required support for the establishment of 14 fish markets. 166 persons were involved the respective management committees; PPABAS originally expected a training need of 30 committee members. Markets of first point of sale were established later and managed to channel 160 tons per year compared to planned 405 t. Municipal markets were used by 215 traders (compared to 180



planned) and the quantity of improved fish sold in such markets slightly exceeded expectations (418 t per year compared to an expected 405 t per year).

C. Financial Services

Table 11: Savings and credit groups (ASCAs)

	Planned	Established	Members		
			♀	♂	Σ
PCR	600	1,187	9,289	10,788	20,287

The ASCAs collected in total savings of MZM 41 million and conceded credit of MZM 51.7 million.

In the formal sector, the support of PPABAS via the FFPI led to the provision of 1,064 loans (planned: 1040) for a total disbursed amount, between 2003 and 2011, of MZM 62 million. Out of these, 193 were provided to individuals who were also members of PCRs. 23% of borrowers were women. At the end of 2010, 6% of the active portfolio was in arrears over 30 days.



Picture 9: Savings and credit groups became very popular in the project area, especially among women



Picture 10: Access to credit for allowed investment in outboard engines (Beira-Sofala)

D. Institutional Support to third parties (beyond the PCU)

Organisational strengthening

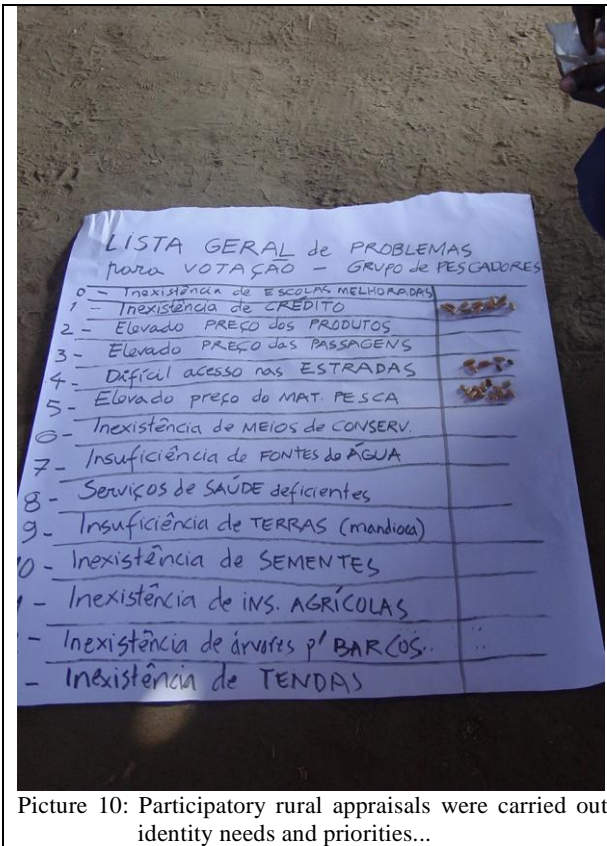
- PPABAS substantially supported, as planned, both state (IIP, IDPPE, FPPI) and private partner institutions (NGOs) at central and regional/district/local level with salary supplements, office equipment and materials, and provision of capacity-building (training, technical assistance) in planning, financial management, procurement processes, monitoring and evaluation to these institutions. This included support for the establishment and equipping of regional delegations of the IDPPE as well as establishment of a network of extensionists in the Project’s 55 planning areas in the PPABAS project area;
- The Project facilitated the preparation of a statistical master plan of the artisanal fisheries subsector, as well as 10 technical investigations by the IIP and diverse studies for the orientation of IDPPE activities.

Policy and legislative initiatives

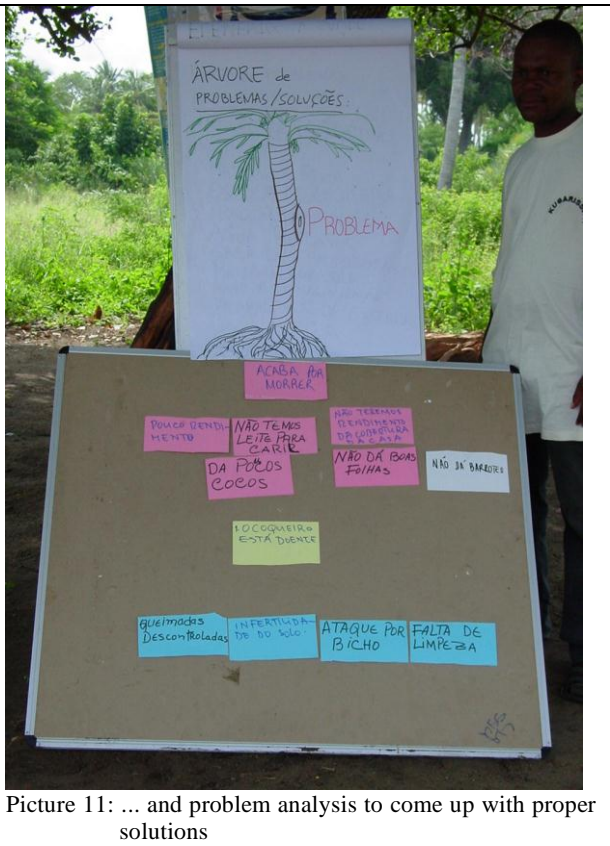
PPABAS support, via IDPPE, for the following initiatives has been an important element of its success: (all aspects corresponding to planned activities):

- the elaboration and adoption by the Council of Ministers and GOM of the Strategic Plan for the Artisanal Fisheries Subsector (PESPA), published in November 2006;
- the elaboration of the normative framework for the co-management of fisheries resources and activity at District and community level, including licensing and resolution of conflicts (mainly between artisanal and industrial fishing – e.g. damages caused by industrial trawlers to artisanal fishing gear) with involvement of CCPs by delegation from District Administrations;
- extension of the exclusive zone of artisanal fisheries to a three-mile-zone and of efforts to supervise and enforce it;

- the differentiation of the regime of closed season for artisanal and for industrial fisheries, substantially benefiting artisanal fishery with shorter closed seasons.



Picture 10: Participatory rural appraisals were carried out identity needs and priorities...



Picture 11: ... and problem analysis to come up with proper solutions

H. Assessment of Project Effectiveness

Community Development

The purpose of this component (see Revised Logical Framework in Annex I) was to improve the well-being of fishers by empowering fishing communities to take increased responsibility for local development initiatives including implementing social infrastructure and service activities. It defined, for each component, a number of key performance indicators at output level, whose results are registered in Annex V.

As noted in the previous section, PPABAS managed to produce outputs in this component which generally exceeded the original targets. When taking into account the two-and-a-half-year extension and additional funds available as a consequence of exchange rate gains, it can be argued that the Project achieved quantitative outputs which are commensurate with its original intention and duration. Have these activities been effective in increasing the well-being and empowerment of fishing communities? Answers to this question originate from the same sources mentioned at the start of section D (Relevance). The reader is invited to also consult Annex VIII (stakeholder workshop findings).

➤ **Health:** PPABAS’s community-centred approach for problem identification and solution has implied a challenging paradigm shift for health staff and commissions from an all curative to an integrated approach including prevention. In the remote communities where health posts were established, recorded satisfaction levels with curative health services have been high as demonstrated by the high frequency of use seven days per week (mainly by women, however – raising HIV/AIDS awareness among men has been more problematic). The number of child vaccinations and attended births are a further indication of the intensity of use of the newly established service capacity in these communities that were installed in conjunction with Provincial Directorates. There have, however, been limitations in the respective empowerment of communities: commissions established for the construction process have struggled to be transformed into community health committees which could take on the responsibility to promote preventive campaigns and awareness rising on sanitation, nutrition, vaccination and HIV/AIDS. While the present treatment-based approach, facilitated by infrastructures built and equipped, does have potential sustainability as and when they are included in the public budget, community empowerment in health promotion has been below expectation and required stronger support.

- **Education:** In construction, something similar happened as with health facilities. It proceeded slowly because of the remoteness of villages (difficult communication and transport), delays in the flow of funds to Provincial and District levels, and the lack of contractor capacity. In the last three years, the Project made up for the delay, so that permanent structures for over 20,000 pupils were built. Interviewed school commissions, directors and teachers expressed their satisfaction with the qualitative difference in schooling (teaching quality, attention and discipline by pupils, etc.) achieved with permanent structures closer to where pupils live. School attendance has increased, and pupil drop-out rates decreased. Adult literacy courses improved capacities to manage community development initiatives. PPABAS has been effective in giving Educational authorities the means to provide substantially improved schooling conditions in 25 villages. Also, community school commissions established for construction continue operation as community organisations promoting artisanal fisheries. It may have been too ambitious to aim at a functioning model of community participation in schooling issues beyond infrastructural operation.
- **Water:** Drinking water accessibility has been substantially improved with the construction of 303 water points that continue to work, shortening significantly the distance to collection points and giving access to less or non-contaminated water. The large number of persons included in the training of maintaining and managing water points has had an important educational effect also in the sense that clean water has a price and requires communal care. Every user needs to pay a symbolic contribution for water (up to MZM 5) to get access. Unfortunately some people prefer not to pay but to wait in long queues and continue obtaining water from conventional sources for purposes other than drinking. It is not clear if this is due to an inability to pay or for reasons on not fully understanding the benefits. Diarrhoea incidence has decreased as a consequence of cleaner water and instruction to boil water before drinking.

**Box 1.**

My name is Madela Carimo, born here in Marrupanama. I own this large space, including the site where the health center was built. I have two children. Before having the health centre locally we were obliged to go to Larde. To reach Larde on foot it took us about one hour and a half. The health centre opened about three years ago. It was built at our request by PPABAS, because we were tired of suffering. In the past, many people lost their lives due to lack of medical care. The only alternative we had was to resort to traditional medicine. Pregnant women had pre-natal control in Larde and child birth was carried out in the community assisted by trained TBAs. When things got complicated, women were transferred using motorbikes to the health centre in Larde. Currently, the Marrupanama health centre has a nurse and a midwife serving us. I am pleased to have this facility here in the community.

Madela Carrimo: User of the Marrupanama health center (Larde - Moma, Nampula province)

**Box 2.**

My name is Alberto Saíde Coutinho. I am the school director for 5 years now. The construction of these classrooms came from the request of the population because they wanted to improve the school conditions for the children. In the past, the school would be rebuilt every year because it was made of precarious material. In 2001, there were 1007 students and currently we have 1200 students. To cope with the increased number of students, the government is sending more teachers. Additional budget is also allocated allowing us to buy the basic material needed to run the school. As a result of the process of community participation in this venture, it is now easier to mobilize community members to contribute in solving the problems of the school. A concrete example is the construction of those 2 classrooms made of improved local material. A positive aspect worth mentioning is that, in 2010, on demand of the community we have introduced EP2. Before, the children after completing fifth grade were subject to walk all the way to Nambui to attend school. This has greatly increased the number of children who completed primary education. The level of awareness in the community concerning the value of education is growing. The committee that was involved in building the school has now joined the school board. In academic terms, we have noted now also a significant success rate of around 95%. There is also greater influx of girls. The teacher/students ratio is still very large despite the efforts that the government has done in order to increase the number of teachers.

Alberto Saide Coutinho: Director of primary school (Mucoroge – Moma, Nampula province)

**Box 3.**

My name is Amina Juma. This water source was built by the IDPPE project in 2005. Before, we use to get water from the river. Our children were always sick with stomach problems. They had diarrhoea, worms and suffered constant pain. We also fetched water in the river for use at home and it was also there where we would go for bathing and washing our cloth. Cattle also drank the same water. Now we have water nearby. This well has water all year round. It is clean water, so diseases have greatly reduced. Because the source is near our homes we have more time to cook and undertake other tasks. We use this water mainly for drinking, cooking and washing. Apart from this, the village has more four sources of water operating. To maintain the well each household must pay a monthly fee of 5 Meticais. There is a small group of families who do not accept to pay this fee and continue to consume unsafe water.

Amina Juma – User of safe water point (Nambui – Moma, Nampula province)

In sum, PPABAS’s broad approach has:

- substantially facilitated the cooperation between a variety of partners – including between regional authorities;



- enabled a participatory approach to planning, monitoring and mobilization of communities in basic infrastructure improvements, thereby responding to priorities of target communities.

This broad approach needed initiatives in deepening community organisations' capacities for tasks beyond the construction of infrastructure. The Project has been effective in reaching its purpose (outcome) in this component – its performance has been satisfactory – but there remain questions as to the sustainability prospects of social empowerment structures created.

### ***Fisheries development***

Purpose: to improve access to – and commercially viable and sustainable utilisation of – the Sofala Bank fish and marine resources by artisanal fishers through co-management systems and technical initiatives.

➤ ***Co-management of artisanal fishing activities:*** Faced with a fishery resource under threat, the establishment and strengthening of CCPs in conjunction with the respective authority (DNAP), experimentally started in the 1990s (PPAN), is a decisive long-term innovation. CCPs try to comply with the tasks assigned to them: eradication of illegal gear use; conversion from beach seines in congested areas; reduction in 3-mile-zone encroachment; resolution of immigrant/rights conflicts; and receipt of share of fishing licence revenues. A regulatory framework for their functioning has been established and 18 CCPs legalized. These 18 CCPs are empowered to carry out, on behalf of District administrations, public licensing and control functions. This is however a small number of total CCPs. The coverage is then modest and their organisational and enforcement capacities still weak. While the PPABAS has complied with its objective in this respect, it is a first step in the development of a system (the design and implementation of ProPESCA is a logical and necessary next step in this and other respects), which will require an on-going and stronger involvement of pertinent authorities.

➤ ***Research on fishery resources:*** One of the key assumptions in developing a diversified fishing effort is that there are under-exploited fish stocks, both close to the coast and in the open ocean. This needs to be proven over time through research. While IIP has been strengthened in its capacity to comply with some of its functions outlined in PESPA, it has been more engaged in collecting catch statistics than in stock assessment. It lacks the technical and financial means to arrange for the specialist data collections needed to accompany the demonstrations of fishing gear and vessel types. The operation of IDPPE's extension system established with the help of PPABAS has been crucial for IIP to establish its statistical records. PPABAS support has allowed IIP to produce 10 studies on specific technical aspects. With the termination of PPABAS, however, it seems that IIP will largely lack the means to continue complying with such tasks related to artisanal fisheries. This resource gap will be filled in the immediate term by the new Project, ProPESCA.

➤ ***Dissemination of new artisanal fishing techniques:*** The level of participation by PPABAS stakeholders has been high in many of the numerous demonstration activities (73% above planned target). While there has been a significant volume of training, its quality and effects remain unclear. The substantial migration observed among fishermen looking for better fishing grounds also constrains follow-up. IDPPE prioritized open sea fishing through motorization to reduce fishing effort by beach seines. There has been a strong variation from area to area in terms of uptake of technologies. While Project support to the strengthening of IDPPE's training and extension system has been a pre-condition to comply with planned technical activities, it has – vis-à-vis the large target population – been thinly stretched. Apart from anecdotal evidence from individual cases, no firm data are available on the effect of PPABAS's experimentation, demonstration and dissemination efforts.

➤ ***Fishers and other associations:*** Along with community committees for infrastructure, PPABAS supported, through NGOs, the establishment or strengthening of associations for mainly economic (fishing, small agriculture, processing, sale, commerce) but also social purposes (e.g. support to orphans, to school construction, etc.). Some of them focus exclusively on fishery. It needs to be noted that their functional differentiation from the CCP has not been sufficiently clarified in most places. Several associations started as ASCAs and evolved into broader associations. PPABAS support for building associative experiences in the densely populated Project area point to positive learning processes and sufficient ownership by members. However, they are still relatively weak structures. The Project managed to comply with 82% of its target in this respect.

➤ ***Handling and processing of fishing products:*** To increase sales perspectives for artisanal communities, PPABAS has sought to reduce post-harvest losses and promote the use of good practices in fish handling, processing and marketing. It initially aimed at improved traditional processing techniques of salting, drying and smoking, while at the same time introducing techniques

to improve the quality of inputs and create a new chilled fish sector. There is evidence of communities having built new brine tanks and drying racks but the dimension of such uptake is not established. A crucial input to improve fish handling is ice. Commercial ice production depends critically on connection to the public electricity grid, whose installation in coastal regions is slowly progressing. Where it is available, ice production plants tend to be established by private investors, as demand for local supply is virtually assured. The experimental ice and cold storage plants installed by the Project taught a number of lessons on the quality of storage devices, location, economic feasibility, etc. A process of expanding ice production capacity (by private investments, ProPAPA, households) has been put in motion by PPABAS and it is likely to continue, supported by results from research on suitable locally produced ice boxes, which are being introduced in the market.

<p><b>Box 4.</b></p> <p>The Community Fishery Council (CCP) of Tomeia was established in 1998 with technical support from IDPPE. The CCP has 12 executive members. Since then, we have seen improvements in the fishery, for both native and immigrant fishermen. There is a big difference between now and the 80s-90s. Now we participate in discussions of issues concerning resource management at local, provincial and national levels. The existing problems are now presented first to the CCP and only are taken to the authorities if a solution can not be found locally. The use of harmful gear was very common in this area but now most fishermen abandoned this practice. We are also involved in licensing of fishermen by delegation from the district administration and receive 10% of revenues. The money is used to perform the activities of the CCP. In our fishing area, there is no conflict with the large fishing fleet. In 2008-09 catches dropped but in recent years we have noticed an increase of catches, probably due to increased rainfall. We need support in terms of mobility to improve surveillance.</p> <p>João Moçambique and Ambrose Ossufo: Members of CCP (Tomeia – Pebane, Zambezia province)</p>	<p><b>Box 6.</b></p> <p>My name is Alberto Antonio. I have a wife and four children. I studied at American Boarding Missionary School until 7th class (1995). I left school due to problems with payment of tuition fees and I had to start working. When my sister got married, I went to live with her and her husband in the island of Chiloane (1996-1998). Here, I learned to fish with the equipment of my brother-in-law. In 1998, I went back to Beira and I built a small <i>barraca</i> where I was selling food and cigarettes. In 2000, through the profits that I made in my business, I decided to enter fishing business. I first rented an <i>almadia</i> and was fishing Malola in Movisa fishing centre. Little by little, I earned some money and bought a second-hand seine net. The net was small, but later I bought a beach seine net similar to those used in Nampula province. I continued to save money and I bought planks and wood to build a Moma type canoe. The carpenter who built the boat came from Nampula and settled near Movisa. I built a boat and a beach seine net like that used by fishermen coming from Nampula. I have decided to do so because I saw my colleagues catching a lot of fish at the same moment that the catch from fishermen from Beira were decreasing. The canoes that we used before did not allow much security at the sea and during the process of launching the fishing net. This area has strong waves and dugout canoes suffer a lot, but the Moma canoe is safer. Now things are improving. With the boats and nets that I use now I get, on good days about 300 kg, whereas in the past with the dugout canoes and the smaller nets, on good days, I could only catch about 120 kg. I am currently building a house to live in the city of Beira and another which I intend to lease. I am now able to feed better my family and pay for the studies of my children. I have practically managed to buy most basic home goods, including: radio, TV set and furniture. After completing the construction of my house, my dream is to buy a car.</p> <p>Alberto Antonio: Owner of beach seine nets and Moma type canoes (Movisa – Dondo, Sofala province)</p>
<p><b>Box 5.</b></p> <p>Ours is an association of fish processors and traders. We started as a rotating savings and credit group in 2003. At the time, we were 18 members (12 men, 6 women). Through discussions with IDPPE staff, we decided to transform the group into an association pursuing common interests. We are proud that so many PCR groups formed here in Moma have been inspired by our association. In 2004, when we reached the end of the cycle each member took 25% of his/her savings and put in the association to start trading with fish. Each member has his own individual activity and we keep doing PCR. We deal with frozen, fresh, dried and smoked fish products. We sell our fish here in Moma and have regular clients coming from Nampula. By end of year, we share the income from the association. Through collective action, members are experiencing positive changes in their lives. We all have brick houses, televisions, furniture and other home goods. We learned from IDPPE the benefits of working together. We were also trained on appropriate techniques for handling and processing fish. Our plan is to further develop our business. One day, we would like to market our fish products in Maputo.</p> <p>Zeferino Samuel: Chairman of Associação “Graças a Deus (Moma-sede, Nampula province)</p>	

Overall, while it is difficult to quantitatively determine the effectiveness of PPABAS’s intervention in the artisanal fishing activity, impacts recorded (see next section) point to positive effects. ***Project effectiveness in this component has been moderately satisfactory.***

**Market Support and Roads**

Purpose: to improve economic and physical linkages of artisanal fishing communities to input and output markets on a sustainable basis.

➤ **Trading and markets:** PPABAS conducted an exhausting artisanal fishery value chain study. In parallel, fishing input suppliers (one in particular) included in their product range fishing gear, ice boxes and motors recommended by the Project, based also on incentives by PPABAS. Input supply is still limited to major municipal areas, causing frequent complaints by fishermen about lack thereof in smaller fishing centres. Concerning output markets, the dissemination of price information through the extension system of IDPPE and via radio has increased the transparency and negotiating capacity of fishermen at landing sites, supported also by the expansion of cellular phones, although price updating by IDPPE has not always been regular. Increased availability of formal credit (see below), next to rehabilitated roads, has facilitated the growth of fresh fish and shrimp marketing by fishers’ families and traders. Support for the establishment of municipal markets resulted in four market buildings being established in 2011, co-financed by ProPAPA. Later in the Project markets close to landing sites (markets of 1st sale) were included and 10 of them were completed in 2011. Coordination and construction consumed much time and delayed the benefits of such investments. Market administration (organisation, hygiene, etc.) is a further challenge requiring additional efforts by Municipalities and District authorities. Thus, the marketing component is very much in its infancy.

➤ **Roads rehabilitation and maintenance:** Support for coastal district and community access roads has surpassed the design targets by 87% (in length, and 64% in terms of number of sections) and made a significant contribution to improving access to markets and services. This has led to the development of transport services and reduction in transportation costs. Although a dozen District level staff were trained in road maintenance in two Provinces, maintenance continues to be a major problem because of severe resource constraints of the Provincial road authority (as already noted in the risk section of the Appraisal Report). Community involvement in this aspect is relatively low (see indicators in Annex VI).

Overall, while the road component has been effective in enabling important gains for fishing communities in the medium term, the marketing interventions have so far mainly been in the establishment of these facilities – the on-going operation and maintenance of them requires further investment and capacity building. Support under ProPESCA will be critical.

**Financial services**

Purpose: to increase commercial and economic activity in artisanal fisheries sector.

<p><b>Box 7.</b></p> <p>I am Rosa Mundenga, single, 27 years old. I have a daughter with two years. I start saving in 2003 with PACDIB. We used to save MZM 15 per week each member. At the beginning, it was particularly difficult to convince people to join the group. Some were suspicious, thinking that they would be cheated. Before 2003, I lived in Beira with my aunt and managed to complete 7th grade. But you know, living with aunts is not easy, so I have decided to go back to Nova Sofala and stay with my parents. In 2005, IDPPE re-introduced PCR and we agreed that each member would save what he/she had, but a minimum of MZM 50 each month. I belong to the group Madjima Ngatibatane (Let's be united!). Participation in the group has brought me some opportunities. Before, I was selling salt, but now with help from the PCR I am engaged in marketing of fresh fish in Chimoio. I have a stall in the main market there. Through the PCR, I have also increased the volume of sales. At the end of the cycle that ended in December 2011 I got MZM 63,000. My older brothers have left home so I am taking care of my younger brothers. I sent my youngest brother to a boarding school in Barada where I pay some MZM 1,400 each quarter. This year I have plans to purchase land in Beira city and start building a house.</p> <p>Rosa Mundenga: Member of group of rotating savings and credit (Nova Sofala – Buzi, Sofala)</p>	<p><b>Box 8.</b></p> <p>My name is João Almeida. I am 32 years old. I am married and I have four children. I am a fisherman based at Praia Nova. I started working as an employee of a fish trader in Praia Nova. With his help, I started my own business to buy and sell fish. At the beginning, I sold my fish here on the beach and then I opened a warehouse in Cuamba, about six years ago. I decided to start fishing in order to improve my business. Therefore, in 2008, I applied for a loan from FFPI. With the loan, I acquired a 15 hp Yamanha engine and an 8.5 meters boat. I paid back the first loan within the agreed time. In 2011, I asked for a second loan having acquired the second engine. I have now two boats. I use fish with gill nets to catch Magumba and beach seine to target Ocar. With the engines, my business has improved. I now manage to catch about 15 boxes of Magumba on a good fishing day (about 30 kg/box). I send both the fish from my boats and that I buy locally to Cuamba. I managed to buy three cars, one I use to transport fish and the other two are rented. I have also my own personal transportation vehicle. When I started my business I built a home in Muxungue and my sisters live there. Now with the income from fishing I am building another house here in Beira. This year I am planning to purchase a refrigerated container for storage of frozen fish. Although interest rates are a little high, I managed to repay back the loan without major problems.</p> <p>João Almeida: Fisherman, beneficiary of formal credit (Praia Nova – Beira, Sofala province)</p>
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➤ **Formal credit:** In areas where an experienced provider of commercial loans has been present (like FFPI in Sofala Province) credit funds have helped ease the bottleneck of absence of a financial service for artisanal fishing. In the other two Provinces, substantial loan amounts were also

lent but sub-standard lending has led to large portfolios at risk. This was aggravated by many borrowers being unable to provide adequate security. This situation needed particular efforts to control risk (including an adaptation of lending technology<sup>11</sup>). Portfolio performance subsequently improved but this situation affected the effectiveness of the lending activity, particularly in Zambezia. The loans financed fishing activities (39%), processing and marketing of fish and shrimps (46%), and some other business activities (15%).

➤ **Rotating Savings and Credit Groups:** The promotion of ASCAs (also called PCRs), following an analysis of what failed and what worked in community microfinance in the PPAN, encountered great acceptance among the target population. Targets were substantially exceeded. Members used group credit for production/marketing purposes as well as for the purchase of household goods and for other preferences. This exceptional progress has engendered growth problems, e.g. excess savings being lent by ASCAs without loan management capacity to third parties, and it has demonstrated the limits of the ASCA model in its different modalities. Pertinent considerations have been noted in the stakeholder workshop (Annex VI).

Overall, the financial services support by PPABAS has been an important element to kick-start the introduction and application of new, better fishing inputs, technologies and marketing practices and openings, **with results ranging from moderately satisfactory (for formal finance) to highly satisfactory (for ASCAs).**

### ***Institutional support***

Purpose: to improve the enabling environment for promoting and supporting artisanal fisheries development.

➤ **Supporting the formulation of policies and regulations:** The policy and legislative initiatives supported by PPABAS mentioned in the output section were and continue to be essential contributions to establish a normative framework for the development of artisanal fisheries in the country, down to the co-management of artisanal fishery resources. They are guiding interventions of IDPPE and partner institutions in this sector.

➤ **Institutional strengthening:** PPABAS's substantial support to public and private institutions increased notably their capacity to comply with commitments assumed in the framework of PPABAS and which are part of their respective mandates. The placing of the PCU within the national counterpart institution, with a small head office and presence in the Project area, has been a good set-up, conducive to achieving Project objectives. The CPE 2010 noted that "generally, since 1992, there has been an overall improvement in the capacity within government and among private service providers", to which PPABAS has contributed. The reader is invited to consult also Annex VIII on this topic.

Overall, PPABAS's ***institutional support has been effective for Project implementation*** and in shaping and improving the enabling environment for the development of the artisanal fisheries sector, in the case of the normative framework for years to come.

### ***Overall development goal of PPABAS***

Purpose: to achieve a sustained improvement in economic and social conditions of artisanal fishing communities in the Project area. Key performance indicators refer to household income increase, number and proportion of households with improved access to social services and facilities, and number and proportion of households realising improved health and nutrition status, especially of children.

In this respect, the impacts measured by PPABAS (Annex VII and following section) provide results which lend support to the statement of ***an overall satisfactory performance of the PPABAS.***

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<sup>11</sup> In Mozambique, all land is owned by the state which imparts concessions of use over a number of years or decades. Land can, therefore, not be used to provide guarantee for credit.



## I. Assessment of Impact

### (i) Physical assets

The PPABAS's impact studies in 2005, 2008 and 2011 relative to a baseline study of 2002 (see results in Annex VII) have based on representative samples<sup>12</sup>, registered increases in family assets. For example: motorcycles (from 1 to 6% of respondents), bicycles (from 23 to 49%), radios (from 60 to 70.5%) and fishing gear (from 30 to 33%). The number of families having access to toilets in their home places has increased from 10 to 51% of respondents, as did with regard to access to electricity (from 3 to 5.2%).

A serious problem that arose during the past decade has been the use by many poor families of mosquito nets (that are distributed free of charge as mean of controlling malaria) for fishing. This is a major threat to fish resources close to the coast as the mosquito nets catch juvenile fish species. The Ministry of Fisheries, with the support of IDPPE, promoted – as an interim solution – the use of beach seines and gillnets with half-an-inch mesh size the use of which is more or less controlled on the beach (by the CCPs). Such gear is increasingly used by artisanal fishermen, as a step to the future use of more appropriate nets. PPABAS's impact studies registered an increase in the possession of fishing gear from 30% to 33% of respondents.

The extension of the public electricity grid – impact study respondents mentioning having access to electricity almost doubled between 2005 and 2011 – has led to investments in refrigerators, as the observed more frequent use of ice demonstrates. The use of re-conditioned old refrigerators as auxiliary ice boxes also points to their potential replacement with new ones. The business of artisanal fishery input suppliers is developing well, pointing to more and better fish production assets (gear, boats, motors, etc.) being used in the Project region. The wish among the consulted target group associations to improve fishing inputs and boats, and to buy motors is strong. Although the impact studies registered a proportional decrease in the possession of fishing boats with motors from 4 to 3.1% of respondents, the number of motorized boats in the project area has actually increased. At the poverty levels prevalent in the Project region, ***impact on marine fish/shrimp production assets supported by the Project is satisfactory.***

### (ii) Food security

Concerning food security, the percentage of interviewees in the impact studies indicating that they always have enough food for their family increased consistently from 12 to 28%, and that of families finding food availability to be a permanent problem, diminished from 35 to 11%.

On average, fishing as main source of (largely subsistence) income has decreased, from 62% to 38% of respondents<sup>13</sup>, while crops as main source of income have increased, from 21% to 32% of respondents. It can be concluded that increased artisanal fishing has gone hand in hand with, and contributed to, a diversification of the diet. Another indication of improved food security is the increase in monthly average household income from the main source of income when measured in nominal units, from MZM 1,073 (2002) to MZM 4,050 in 2010 (equiv to USD 43 per family)<sup>14</sup>. Furthermore, the share of families who produce more than 90% of their food themselves, has increased from 16% to 30% between 2002 and 2011, while those needing to obtain, with their extremely limited monetary income, food from other sources, decreased (those producing less than half of food intake from 33% to 25%, and those producing less than 10% of food intake from 16% to 12%). At the high poverty levels prevalent among the target population, a higher self-sufficiency in food means in this case less hunger and more food security. The impact survey series indicates a still very low share of cash crops as main income (some 5%, and decreasing). ***Overall, the Project's impact on food security has been satisfactory.***

### (iii) Environment and common resource base

As stated in the Project Appraisal, one of the most important Project aims has been to develop a functioning and effective co-management system – from village committees (CCPs) to provincial and national structures – to provide a framework and forum for discussing and resolving resource management issues (in particular fishing resources depletion close to the coast). The structures established and the strong ownership demonstrated by the CCPs has been noted. At the national

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<sup>12</sup> Method applied in 2005, 2008 and 2011: cluster sampling with n = between 1247 and 1553 responses; around 90% of respondents were men. The baseline study was of reduced size.

<sup>13</sup> In the representative 2005 impact study, fishing is at the same level as in 2011 (37% of respondents); the non-representative 2002 baseline study may have been biased towards fishers' families.

<sup>14</sup> The average annual inflation rate in this period having been around 9% in Mozambique, this translates into an average real income above double the starting value ( $\approx 2.25$  times).

level, interest has taken longer to become a priority. At the community and district level, co-management is seen as the start of a long-term, bottom-up process for the preservation of fisher population's livelihood, the importance of which can hardly be overestimated. The same applies to the diversification of fishing effort and the other dimensions related to it (higher value catch, better processing, better sales). While this creation of environmentally relevant structures at all levels is still very much at the beginning, **its present impact – being a basis for substantial potential benefits – is moderately satisfactory.**

(iv) **Human Assets**

Social indicators (% of respondents of impact study, 2002 and 2011) in the Project region have improved on a broad basis:

- the percentage of children attending primary school: from 45% to 61%
- children graduating from primary school: from 11% to 17%
- adults reading and writing well: from 13% to 20%
- adults reading and writing although with difficulty: from 30% to 44%
- share of illiterate persons: from 57 to 36%
- household health status: poor (one or more family members mostly ill) reduced from 18% to 12%, and good status improved from 11% to 27%
- illness and death in the community: perception of being a substantial problem reduced from 27% to 18%
- households accessing water from protected sources: from 11 to 51%
- as indicated above, several indicators in (see Annex V) point to improved nutrition among the target population.

The training of community commission members as indicated in the output section points to increased human assets among the target groups. Household asset possession (Annex VII) supporting human activity has increased as well, notably bicycles (from 23% to 49%). **Project impact on human assets, considering also planned and realized Project output, has been satisfactory.**

(v) **Social Capital and Empowerment**

As indicated above, the Project's emphasis on participation in most Project activities – from planning to implementation in its 55 Planning Areas – has led to the creation of collective capacities not only of mostly newly established target group organizations, but also for the co-management with authorities of (quasi-) public functions, which can be considered an exceptional feature of top-down and bottom-up combination. Capacities have also been enhanced in both public and private partner institutions, including – and substantially so – in IDPPE. Several thousand target group members have been trained in collective tasks like managing associations and complying with collective functions in community commissions. Several visited groups presented the essential aspects of their organization, and results of their work, in short written form, read before the assembled group – a sign of local capacity built. Opinions of all stakeholder groups coincided in recognizing the Project's consistent participative approach leading to grassroots empowerment as well as additional capacities in some public sector agencies. In view of the starting position, the Project's gender strategy has also brought appreciable advances, inducing changes in the division of roles and tasks between the sexes with a view to gradually induce more equality. Entities lacking in capacities, apart from the target population at large, include District administrations and many private sector agents. **Overall, the Project impact in this area is considered satisfactory.**

(vi) **Fishing Productivity**

A first crucial issue in artisanal fishing is to improve the catch without reducing the population of species at risk or increasing the number of species at risk. There are initial indications of better controlled catch. However, much more biological investigation is needed and there are still substantial gaps on catch statistics differentiated by species along the entire coast. This situation needs to be addressed over the long term. Knowledge gained on resources, particularly of species at risk, needs then to be fed back to fishermen. While fishers families consulted spoke of maintained catches (but also of increased competition), the issue of long-term productivity of fish and shrimp catch is not yet resolved. When taking into account slowly improved catch technologies (requiring investment), as reflected in the increased possession of motorized boats among fishers families thus allowing them to move out to open-sea fishing, as well as improved processing techniques and the use of ice, catch and post-catch productivity is likely to have increased, but to what extent is an open question. **It is not possible to rate this aspect at this stage.**

**(vii) Institutions and Services**

In this area, the Project has produced important impacts: improvements in the planning and management of public institutions involved in Project implementation at central, regional and district level, potentiating them to comply better with their function and amplify their work experiences (including inter-institutional coordination); fundamental policy and regulatory proposals for artisanal fisheries adopted by the government, providing orientation; a legal framework for co-management of artisanal fishery resources established; market value chain installations and regulations being established, including price information at landing/trading points; etc. While enforcement continues to be a major problem, the Project's contribution did impact substantially on the institutional and regulatory framework of the sector. ***Its performance in this respect has been satisfactory.***

**(viii) Financial Assets**

With the introduction of ASCAs, the project has substantially contributed to provide a way for poor families to accumulate savings and use collected funds for the purposes they wish. This has been an important initiative in a rural region with an almost total lack of financial services – a crucial first step and a necessary but not sufficient condition for the development of financial services in the target areas. ***The Project impact in this respect has been satisfactory.***

**(ix) Markets**

The Project improved markets at landing sites and opened access to inland markets through the rehabilitation of feeder roads from the coast, thus breaking the constraint of being limited to village demand. Market opening has been an essential part of the Project's concept and matures now also with the construction of physical fish/shrimp markets. While the project's impact in this area came late because of the resources absorbed by the integrated broad concept it preferred to implement, this has been an acceptable price to be paid for the provision of basic services, which now support broader socio-economic development in the area. ***The Project's impact in this area is rated satisfactory, particularly since GOM/IFAD continue focusing on this critical area.***

***Overall, PPABAS's impact on the stakeholders and the target population in particular is considered satisfactory.***

**L. Assessment of Sustainability**

***Political and institutional sustainability***

GOM and IFAD have worked together since the 1980s to develop the artisanal fisheries sector. This cooperation has intensified since the 1990s and led to the establishment of IDPPE within the Ministry of Fisheries. Since the MDGs are on GOMs agenda, artisanal fishery has gained more prominence, although it contributes only about 2.5% to GDP (2008). Today, the need to continue reinforcing the artisanal fisheries subsector is not in doubt, as demonstrated by the continued cooperation between GOM and IFAD in the framework of the new ProPESCA Project. At lower government levels, however, sustainability of support is less assured because of the extreme resource constraints at Provincial and District levels. ***In particular, IDPPE's extension system requires the regular assignment of public resources to allow it to comply with its functions.***

***Social sustainability and ownership***

Community commitment to social activities and services installed with the help of the PPABAS has been strong, as they provided tangible benefits. It is questionable, however, how far communities will be able to maintain public works, particularly in view of the severely constrained district resources. Required repairs and maintenance requirements with larger cost implications – e.g. damaged water pumps – may well lead to prolonged periods of inoperation. Concerning operations, local governments mostly complied with their obligations in terms of assignment of personnel and material where structures were built. Once introduced into their budget, these positions and support are likely to continue. Seeing the positive results of PPABAS's support to community organisation, there is much to be gained from further support to community groups and fishers associations on how to design projects and manage their affairs and initiatives. ***In view of the history of the past decades, community based association activity along the coast is still young and not yet well entrenched.***

### ***Economic and financial sustainability***

PPABAS's intervention model to facilitate public economic infrastructure – such as municipal fish markets and points of 1<sup>st</sup> sale that are equipped with essential service facilities like ice plants and cool storages – and evaluate together with private agents the modalities of which lead to profitable arrangements has contributed to identify viable models of public and private investment and management for the development of the post-catch fish value chain(s).

While households have benefited notably from the generally positive development in the project area, including project activities, most continue to be poor. Improved basic social services are a contribution to their capacity to make a living. The same applies to improved economic infrastructure, like better roads. However, the maintenance of these public infrastructures depends more on governments than on communities. Districts report that basically, they manage to maintain, per year, one road with the cooperation of the regional authority. Needs are huge and far exceed the government's maintenance capacity. ***Based on the Project's results and impacts, however, it can be concluded that the resilience capacity among the Project target population against external shocks and food insecurity has increased.***

### ***Environmental sustainability***

Pressure on fishing, water and soil resources along the densely populated coast are high, due to the strong increase of artisanal fishing in the past decade. The problem of depletion of fishing resources is well known but knowledge collection and control mechanisms are still weak, increasing the environmental risk to the sustainability of resources.

***Overall, the sustainability of different elements of PPABAS varies substantially. While the sustainability of maintenance committees and some infrastructures (water wells, roads) are unsatisfactory and environmental sustainability still at risk, other initiatives like the ASCAs, fishers associations and CCPs show better sustainability perspectives.***

### ***Steps required to increase sustainability***

A number of aspects require further attention to ensure the sustainability of achievements facilitated by PPABAS, namely:

- A. Participatory processes should be maintained and reinforced. In particular, CCPs need to be strengthened in their capacity to control the fishing activity in their communities, e.g. through a uniform and official backing by the district administrations that CCP members are authorized to stop contraventions; they should also have the means of operating (including transport (e.g. motorcycles)) to supervise activities along the beach.
- B. Further support for artisanal fisheries should, in its social dimensions, devise a concept and implement a more explicit policy of gender equity.
- C. Most fishers associations which emerged during the past decade need to be strengthened with regard to their management and economic performance.
- D. Investigation into the fishing resource base (IIP) and catch statistics need to be continued without interruption. As such there will be an adequate basis for designing suitable policies that will constructively support fishing resource sustainability. Other environmental aspects, such as potable water availability and soil fertility, should receive complementary attention in the future, not by a project dedicated to promote artisanal fisheries but by the other competent authorities, in parallel to fishing promotion. The coastal population could gain much in nutrition and income from more diversified agricultural production systems and small irrigation schemes.
- E. The dissemination of artisanal fishing, transport and processing techniques needs to be strengthened. The same applies to the continuous collection of fish and shrimp catch statistics. IDPPE's extension system should be reinforced for these and further tasks.
- F. In the formulation of decentralization policies at all government levels and the design of tax systems, the interest of the large population with its economic potential along the coast should be adequately represented. District administrations in particular need to be strengthened, namely in the context of further support to economic infrastructure like road rehabilitation and electricity supply, but also concerning social infrastructure and services.

- G. At the stage reached in artisanal fishery along the Sofala bank and other coastal areas, further development support to artisanal fisheries should focus on value chains from a market perspective, feeding back to production the kind of product which promises better sales/income (considering resource sustainability). Time-series studies on cost and prices per species over time, fresh and processed, for sale at different sales points should be done and/or made publicly accessible<sup>15</sup>.
- H. Financial service development is at an early stage in inland and coastal Mozambique. Much effort is needed to establish a regulatory and institutional framework for the development of formal microfinance services not just for fishers but also all rural areas.
- I. The quality of private service provision has been a weak point in PPABAS. Contracting and service provision require support so as to produce better built and operate more durable infrastructures. Contract management and conflict resolution also need to be improved through the development of suitable management tools and associated capacity building

#### **M. Innovation, Replication and Up-scaling**

PPABAS's major innovative features have been:

- the empowerment of fishers and their communities in managing their fisheries resources, accessing markets, organising saving and credit, and plan and manage their activities themselves. Indeed, these features have been a welcome innovation to the Project area, and it has become a model to emulate. This has been an innovation at national, not at international level.
- the promotion of market linkage as a key thrust of the project. Without access to other than village markets, there was little point in changing catch techniques bringing in higher-value fish which could not be sold locally. Here, too, the first local "innovation" was to provide road access, one basic ingredient for transforming regional economies in the context of an artisanal fisheries project. While the concept of thinking from the market was innovative when designing the project, activities required to make it happen were less so. Value chain activities did not start until late in the course of the Project.
- the support to a legislative, policy and strategic agenda which strengthens government intervention. While it is not new for projects to push for better sector development conditions, the corresponding initiatives supported by the Project have led to an appropriate framework for the development of artisanal fisheries, new for the country.

In all three of these aspects, PPABAS's achievements have been recognized both within the wider artisanal fisher community but also by senior Mozambique leadership. In addition, IDPPE, a government institution, introduced and applied a decentralized, participatory planning and monitoring system, which has been and continues to be an important innovation in managing such international projects, with implications beyond the fisheries sector.

The development of organised community-level forms of savings and credit associations has been a further important innovation. In the absence of financial services, such activities had to start from scratch; they are therefore local innovations, with a substantial replication potential: ASCAs are likely to multiply spontaneously in the Project area.

One function assumed by the Project has been the experimentation and demonstration of new fishing techniques for artisanal fisheries, new for the target population and in that sense innovative.

Furthermore, the co-management approach to fishing resources management, with CCPs at community level, has been an interesting innovative approach, with potential for replication and up scaling along the entire coast.

***Overall, given the low starting level, PPABAS has demonstrated a satisfactory innovation performance when considered for the Project and the national area.***

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<sup>15</sup> University thesis could help doing this.



## N. Performance of Partners

### **IFAD**

Mozambican implementing institutions emphasize the value of the long-term partnership with IFAD in the artisanal fisheries subsector since the 1990s and the positive way it responded to government requests. IFAD is considered a partner of high competence who also influenced the strategic choice at the design stage of PPABAS: while IDPPE tended to stick more narrowly to the fishing activity, IFAD made it reflect on the point that it is people – fishing communities – who should be at the centre of attention. IDPPE is in agreement with the statement of the CPE that IFAD has shown a high degree of flexibility, namely in the design and implementation of the PPABAS. Cooperation and support in the 1990s has been a motivating factor for the counterpart institution to learn from past experiences and to produce an adequate design of PPABAS led by the counterpart institution (rather than IFAD). Since 2003, with the installation of an IFAD office in Mozambique, programme coordination and harmonization impacted positively on PPABAS, e.g. in the development and adaptation of its M&E system. In 2008, IFAD's corporate decision to assume project supervision itself resulted in an intensification of the follow-up in the sense of discussing difficulties caused by Loan Covenants and procedural requirements of IFAD directly with the IFAD representatives. This has led to positive changes in favour of a more adaptable project administration, including GOM procurement norms over international ones, but also more flexibility in fiduciary aspects. ***Overall, IFAD's performance with respect to PPABAS has been satisfactory.***

### **Government agencies**

GOM, and IDPPE in particular, have been solid partners for IFAD, engaging in policy dialogue and responding to implementation issues in a relatively timely manner. IDPPE/PPABAS's arrangement to assign IDPPE staff to a full-time PPABAS PCU which, on its part, reverted back to and worked with IDPPE staff, has been a favourable modality from the point of view of ownership and building capacity in government. It has also been a great advantage to be able to count on a capable Project management that continued from the preceding IFAD project and accumulated experience and knowledge on artisanal fisheries over many years. Project implementation also benefited from international Technical Assistance in the form of four medium-term experts (rather than the budgeted short-term experts) in the fields of community development, fish marketing and credit, fishing technology, and road engineering. The Project also introduced, from the start, a somewhat ambitious – later reformed – M&E system based on a logical framework and clearly defined indicators. Beyond measuring output, it introduced impact measurement with a baseline study established at the beginning and with repeated related surveys every three years. Close cooperation with Provincial authorities and District administrations has been a further aspect favouring effective intervention. Concerning counterpart obligations, the CPE characterisation also applies to the PPABAS: "GOM has not fully met its counterpart fund obligations, not because of inability or bad will, but rather due to annual ministerial budgeting which has failed to foresee and include the allocation of funds required to pay value added tax and duties on imported IFAD-funded equipment and materials." ***Overall, however, government performance in the implementation of the PPABAS has been satisfactory.***

### **Service providers**

Both contractors for public works and NGOs providing training in grassroots financial services have been mentioned in project and supervision reports as often lacking in technical quality and compliance with stipulated contract conditions. Implementing agencies pointed to constructions remaining incomplete (e.g. in the case of a large municipal market) or not working because of faulty installation (in the case of water wells). Some of the roads, too, were rehabilitated with inadequate machinery not up to the required standards. In view of the weakness of private sector agents (both for-profit and not-for-profit) as a consequence of the recent history of the country, when working with these, more care and capacity-building is required to ensure better service quality. ***Their performance has been moderately unsatisfactory.***

### **Cooperating Institution**

Concerning UNOPS's performance on loan administration and fiduciary aspects, the CPE observed that "due to budget limitations, there have been insufficient fieldwork and analysis as well as backstopping on technical issues". It further remarked that "generally, response to and resolution of issues between annual missions has been slow. It should also be recognised that UNOPS generally has highlighted key problems and that UNOPS alone cannot resolve issues unless IFAD and GOM follow up with a rapid and consequent response." At the start of 2008, Project supervision was assumed by IFAD directly. This change was noted positively by the SBAPF in the sense that the

distance to IFAD has been shortened and allowed a more direct interaction for discussing operational issues and resolving fiduciary and administrative issues. ***The performance of the Cooperating Institution has been moderately satisfactory.***

## 0. Lessons Learned

### *On strategy and design*

1. When building a sector intervention from scratch – as has been the case in the artisanal fisheries sector in Mozambique since the 1990s –, it is advisable to think and plan in terms of a ***period*** sufficient to reach a significant sector development through scaled interventions, i.e. 20 years and more; particularly in an environment where the government does not assign priority to the supported (sub) sector, time-consuming system-building as well as empowerment from below become paramount – a crucial point for exit strategy considerations at project design, handled adequately in the case of PPABAS.

2. The ***multisectoral approach*** of PPABAS has been ambitious, although its design was informed by the preceding PPAN. The more complex is the design, the higher the demands on the implementing structure. At the design stage, these demands – in particular the challenges for project leadership and implementing capacity – should be spelled out, particularly concerning cooperation requirements between the many partners/stakeholders as well as the timely availability of agreed resource flows and harmonized administrative/ procedural requirements in such a complex undertaking between GOM and financier. The PPABAS Appraisal spelled this risk out explicitly.

3. The implantation of project management in the pertinent ***public agency***, combined with ***flexibility*** to adjust to the requirements for an optimal achievement of project objectives at different stages, favours institutional learning, ownership and sustainability of results at government level. It also tends to bring the project closer to policy formulation and sector regulation, as demonstrated by PPABAS. Financing institutions – including the government – must endeavour to allow for sufficient flexibility in project implementation to adapt to evolving circumstances.

4. PPABAS managed to successfully combine a ***bottom-up approach*** (community participation) with a ***top-down approach*** (central government intervention in a framework of increasing decentralization); a project structure with few project personnel in headquarter (coordinator, financial officer, M&E officer) and strengthened presence in target regions facilitated a conducive combination, establishing complex institutional coordination mechanisms which work.

5. PPABAS belongs to the more recent type of IFAD projects aiming at helping the government design essential signposts along a desired development path of a (sub) sector and ***“articulate”*** different actors to ***implement government policies and strategies*** designed for this purpose; such ***system-building***, rather than maximisation of outreach during project life with often substantial sustainability issues remaining, may well promise greater long-term development effectiveness of IFAD projects.

### *On implementation*

6. ***Continuity*** in building knowledge on how to intervene to develop the (sub) sector over a prolonged period of time accelerates learning and favours the fine-tuning and optimization of the government’s intervention strategy, particularly when managed by a continuous recognized project leadership; a succession of projects, each one building on the experiences of the former, substantially increases the chances for effective intervention (PPAN – PPABAS – ProPESCA).

7. PPABAS’s ***sequence*** in the implementation of its components has resulted to be adequate for the achievement of its objectives despite putting “non-core” social issues temporarily first: it initially mobilized support from the so far largely unattended target population, responded to its most urgent basic needs and facilitated the establishment of community organization through public works; in parallel, it started activities with longer maturities like artisanal fisheries technology development, financial services development, and institutional sector support.

8. Since ***market development*** builds on other project components becoming effective (production in particular), this component tends to be dealt with later in the project cycle. In PPABAS, too, market development started relatively late (except for the crucial aspect of road rehabilitation), leading to unfinished business at the end of the project, even after the project extension of three years. It is recommendable to think earlier in project development from the market perspective and initiate respective activities sooner in the project cycle.

9. Institutional support to government agencies has generally created capacities, including co-management arrangements between communities and authorities. However, extension capacities to promote the adoption of more effective and less detrimental *artisanal fishing and handling practices* remained short; they require further strengthening to speed up the dissemination of adequate practices among fishers’ families. This shortcoming may have been a price to be paid for the broad approach and substantial involvement in social infrastructure rather than a stronger focus on fisheries from the start.
10. In a situation where *financial services* have to be built from scratch as has been the case in the project area, the start with saving groups – rather than microcredit – (a lesson from the PPAN) has proven to be an approach gaining rapid acceptance among target communities. Some PCRs established associations with purposes which reach beyond S&C (production, marketing). However, ASCAs quickly meet their inherent limits, requiring the development of formal financial services. From an institutional perspective (regulation of microfinance), the regulatory framework favouring the rise of microfinance services should be further improved.
11. PPABAS, learning from the preceding PPAN, established early on an explicit *monitoring and evaluation system* with the respective instruments (baseline studies, etc.). While the system needed to be simplified for better applicability during implementation, it has been an advantage for project management to initiate the project with a full-fledged M&E system. One of the three professionals in headquarters was responsible for this function (next to the coordinator and the financial officer).
12. The project concentrated on achieving results and thereby neglected somewhat the *knowledge management* of its approach and achievements to a wider public. Creating goodwill and disseminating good practices more widely can enhance the outreach and effectiveness of good practices of a project beyond its own realm.

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**Logical Framework**  
(Revised based on the Second Tri-Term Review, June 2008)

Description	Key Performance Indicators a/	Means of Verification	Assumptions
<b>Development Goal:</b> To achieve a sustained improvement in economic and social conditions of artisanal fishing communities in the Project area	<ul style="list-style-type: none"> <li>Household incomes increased during the Project period.</li> <li>No and proportion of households in Project communities with improved access to social services, sanitation facilities and clean drinking water.</li> <li>No and proportion of households realising improved health and nutrition status, especially of children.</li> </ul>	<ul style="list-style-type: none"> <li>National household income and poverty studies.</li> <li>Final evaluation surveys compared to Baseline Survey data.</li> <li>Use of Health Information System and ad hoc case studies.</li> </ul>	<ul style="list-style-type: none"> <li>Effective mitigation of natural disasters.</li> <li>Continued Government support for transfer of resource rights from industrial and semi-industrial to artisanal fisheries.</li> <li>Economic growth and consumer purchasing power maintained.</li> </ul>
<b>Component A: Community Development</b>			
<b>Purpose:</b> To improve the well-being of fishers by empowering fishing communities to take increased responsibility for local development initiatives including implementing social infrastructure and service activities.	<ul style="list-style-type: none"> <li>No of community committees, associations formed and active.</li> <li>No of community infrastructure and other community projects planned, constructed and maintained.</li> <li>No of community health workers trained and given incentives.</li> <li>No of health care schemes operating in Project villages.</li> </ul>	<ul style="list-style-type: none"> <li>Baseline and follow-up survey data.</li> <li>Quarterly progress reports from extensionists, IDPPE/IIP mobile teams and local implementing agencies, identifying impact.</li> <li>Community project progress and completion reports.</li> <li>Quarterly and annual PPABAS reports and project completion report.</li> </ul>	<ul style="list-style-type: none"> <li>Collaboration of Provincial Departments of Health, Education and Public Works is maintained and enhanced.</li> <li>Local government budget for staff and operation of facilities/services assured.</li> <li>Communities are willing to provide the contribution required to construct the infrastructure facilities.</li> </ul>
<b>Expected Key Outputs:</b> <ul style="list-style-type: none"> <li>Appropriate community committees and associations set up, members trained, and supported to operate in a sustainable manner to represent peoples interests.</li> <li>Democratically selected social infrastructure projects, facilities and services planned and established with proper operating, financing and maintenance arrangements.</li> <li>Community-based, primary health care service provision significantly upgraded/ensured with involvement of TBAs/CHWs – and onward referral facilitated for serious medical cases.</li> <li>Educational facilities provided or improved where necessary; and adequate, ongoing provision made for adult/functional literacy training.</li> </ul>			

Component B: Fisheries Development			
Description	Key Performance Indicators	Means of Verification	Assumptions
<p><b>Purpose:</b> To improve access to – and, commercially viable and sustainable utilisation of – the Sofala Bank fish and marine resources by artisanal fishers through co-management systems and technical initiatives.</p>	<ul style="list-style-type: none"> <li>No of CCPs operative and effective in: <ul style="list-style-type: none"> <li>eradication of illegal gear use;</li> <li>conversion from beach seines in congested areas;</li> <li>reduction in 3 mile zone encroachment;</li> <li>resolution of immigrant/rights conflicts; and</li> <li>receipt of share of fishing licence revenues.</li> </ul> </li> <li>Numbers of trials/demonstrations by extensionists and mobile teams.</li> <li>No of A-B Fisher Associations operative and effective in providing services to members on an economically viable basis.</li> <li>No and/or proportion of total effort in use of new fishing gear (gillnets, trammel nets and longlines) and better traditional processing – and hence improved quality, volume and value of cured fish.</li> <li>Increase in net returns to fishers per unit of effort.</li> <li>No of fishing workers becoming owners of gear and boats.</li> </ul>	<ul style="list-style-type: none"> <li>Records of Vessel Monitoring System and CCP reports.</li> <li>Records of Fisher Associations and extension agents supporting them.</li> <li>Surveys in fishing communities of adoption, impact and benefits of new gear and practices including supply of ice, market acceptance of products, prices and incomes.</li> <li>Quarterly progress reports from extensionists and IDPPE/IIP mobile teams on success of marketing higher value fish and impact on fisher incomes; and effectiveness of co-management activities.</li> <li>IIP reports on state of fish resources.</li> <li>Quarterly and annual PPABAS reports and project completion report.</li> </ul>	<ul style="list-style-type: none"> <li>Adequate purchasing power by low-income fish consumers.</li> <li>Demand for higher value fresh fish products will continue to increase.</li> <li>Prices of main fish products on the domestic market stable, or increasing.</li> <li>Artisanal fishing communities respond to improved legal environment.</li> <li>IIP sustains fish catch and effort monitoring programme.</li> </ul>
<p><b>Expected Key Outputs:</b></p> <ul style="list-style-type: none"> <li>Community Fishery Councils, fishers associations set up, trained, and supported to operate in a sustainable and increasingly commercialised manner.</li> <li>Further demonstration of the practicability and acceptability of diversified, open sea fishing technologies and methods.</li> <li>Backing-up – by local by-laws, political will and effective enforcement – of the favourable legislation and regulation that has now been enacted.</li> <li>Extension of better regulation and fish conservation by: local licensing and fishing effort control in congested zones.</li> <li>Continued and extended uptake of improved traditional fish processing methods and marketing practices.</li> <li>Time series data on fishing effort, fish catch and fish stock enabling better informed fishery management decisions.</li> </ul>			



Component C: Market Support and Roads			
Description	Key Performance Indicators	Means of Verification	Assumptions
<p><b>Purpose:</b> To improve economic and physical linkages of artisanal fishing communities to input and output markets on a sustainable basis.</p>	<ul style="list-style-type: none"> <li>• Uptake in commercial use of ice/cold boxes for fresh fish.</li> <li>• Rates of change in volume and value marketed of: first quality, high value fresh fish; lower-value fresh, frozen or processed fish; and traditional products.</li> <li>• No of fish landing centres and fish market facility improvements, completed.</li> <li>• No by category of product of fish buyers/traders and joint marketing enterprises.</li> <li>• No of prawn processing and fresh fish handling plants dealing with artisanal fishers.</li> <li>• Number of suppliers and volume of sales of quality fishing inputs at competitive prices.</li> <li>• Project road maintenance arrangements.</li> <li>• Km of access roads constructed, rehabilitated and maintained.</li> <li>• Km of Project roads regularly maintained to proper standard.</li> </ul>	<ul style="list-style-type: none"> <li>• Annual survey of traders involved in supplying inputs to and marketing fish from artisanal fishers, constraints experienced and opportunities.</li> <li>• Survey of fish marketed to assess the response of consumers to better quality cured fish and to increased supplies of fresh and frozen fish.</li> <li>• Quarterly and annual PPABAS reports and project completion report.</li> <li>• Quarterly reports submitted by DEPs in each of the three Provinces.</li> <li>• Bid/tender documents and contracts.</li> <li>• Reports submitted by a joint Project and DEP team on the quality of maintenance carried out on Project roads.</li> </ul>	<ul style="list-style-type: none"> <li>• Demand for higher quality fresh and frozen fish is sufficient to test viability of adoption of use of ice and associated cold handling.</li> <li>• Prawn processing plants are interested in purchasing shrimp and fish from artisanal fishers.</li> <li>• Electricity network continues to expand</li> <li>• Resources made available for continued maintenance of Project roads</li> <li>• DEPs select qualified and experienced contractors to rehabilitate and maintain Project roads.</li> </ul>
<p><b>Expected Key Outputs:</b></p> <ul style="list-style-type: none"> <li>• Value chain study elaborating on the feasibility of ice supply and fresh fish marketing in conjunction with private sector/fishers association partners.</li> <li>• Continued, refined and expanded availability of information on product prices and demand/supply conditions for major fish markets.</li> <li>• Further fisher, fisher association and private sector trader linkages facilitated, promoted, supported and operational.</li> <li>• Jointly-financed, improved facilities for landing/handling in fishing centres, point-of-first-sale, wholesale and retail markets – planned, constructed and in operation.</li> <li>• Roads maintenance agreements reached with Provincial/District authorities result in allocation of adequate budget to road maintenance.</li> <li>• Project roads re-surveyed and necessary remedial investments and repairs undertaken.</li> </ul>			

Component D: Financial Services			
Description	Key Performance Indicators	Means of Verification	Assumptions
<p><b>Purpose:</b> To increase commercial and economic activity in artisanal fisheries sector.</p>	<ul style="list-style-type: none"> <li>No of fishing and fishing related enterprise loans made by FFPI.</li> <li>Proportion of overdue principal and interest payments recovered by FFPI.</li> <li>FFPI systems, records, procedures and loan management capabilities upgraded to commercial standards.</li> <li>No of rotational savings and credit groups, and numbers of members, supported by Project.</li> <li>No savings and credit groups linked to the formal microfinance sector and number of members graduating to formal credit.</li> <li>Results of new pilot credit programmes undertaken by GAPI in each province.</li> </ul>	<ul style="list-style-type: none"> <li>FFPI and PPABAS Provincial Delegation records and reports.</li> <li>Quarterly progress reports from extensionists and mobile teams on savings and credit schemes and enterprise credit.</li> <li>Quarterly and annual PPABAS reports and project completion report.</li> <li>Reports from GAPI on results of new pilot credit programmes.</li> </ul>	<ul style="list-style-type: none"> <li>FFPI aggressively pursues wilful loan defaulters and recovers arrears.</li> <li>Agreement can be reached on continued PPABAS/FFPI collaboration.</li> <li>Basic stability of the financial sector is maintained to support activities of financial institutions.</li> </ul>
<p><b>Expected Key Outputs:</b></p> <ul style="list-style-type: none"> <li>Continued expansion in the number of savings and credit groups and graduation of some groups and group members to the formal microfinance sector.</li> <li>Conclusion of amended agreement between IDPPE, FFP and FFPI to recover defaulting loans, and recovery of at least two thirds of the overdue amount.</li> <li>Consolidation, further expansion and intensive promotion and advisory support of income-generating activities by Project and NGO implementing agencies</li> <li>Expanded opportunities for small/medium business development linked to fishing, fish trading and marketing, related support services.</li> </ul>			

Component E: Institutional Support			
Description	Key Performance Indicators	Means of Verification	Assumptions
<p><b>Purpose:</b> To improve the enabling environment for promoting and supporting artisanal fisheries development</p>	<ul style="list-style-type: none"> <li>• Permanent, exclusive artisanal fisheries zone, VMS and co-management system, all now in new laws, effectively enforced.</li> <li>• Cost effective, coherent structure and function for IDPPE and MDP at Province level implemented.</li> <li>• IDPPE continuing to act as advocate/catalyst to Government on artisanal fisheries policy.</li> <li>• Terms of trade improved for artisanal fisheries.</li> <li>• Project community development and infrastructure advisory/supervision cadre at Province level strengthened.</li> <li>• Operation of special accounts streamlined to allow for more timely release of funds.</li> <li>• Project M&amp;E system operating in participatory mode.</li> </ul>	<ul style="list-style-type: none"> <li>• Records of MoP Vessel Monitoring System and CCP reports.</li> <li>• Minutes of the PPABAS oversight committees: MoP and IDPPE Consultative Committees and Provincial Steering Committees.</li> <li>• Quarterly progress reports from extensionists and mobile teams noted above.</li> <li>• Quarterly and annual PPABAS reports and project completion report.</li> <li>• Special account and project account statements.</li> </ul>	<ul style="list-style-type: none"> <li>• Government continues to allocate resources to the expansion of institutional capacity by IDPPE and MDP to oversee fisheries development.</li> <li>• Full Project Management and Technical Assistance team maintained until 2009.</li> <li>• Implementing agencies will improve their accountability to allow for more frequent replenishment of special accounts.</li> </ul>
<p><b>Expected Key Outputs:</b></p> <ul style="list-style-type: none"> <li>• PESPA and gender and HIV/AIDS policies and procedures put into effect.</li> <li>• Project M&amp;E system and procedures further refined and operating satisfactorily and in a participatory manner.</li> <li>• Institutional support and strengthening activities, including those for community organisations, NGOs and local government agencies, continued and intensified</li> <li>• Project/IDPPE advocacy and catalytic role for fisheries policy, legislative and institutional development continued and entrenched within MDP</li> </ul>			

a/ All indicators to be gender disaggregated

**Supervision and follow-up missions**

Date	Institution	Type of mission
August 2003	UNOPS	Supervision
September-October 2004	UNOPS	Supervision
October-November 2005	IFAD	First Tri-Term Review
November-December 2006	UNOPS	Supervision
July 2007	IFAD/UNOPS	Supervision
March-April 2008	IFAD	Second Tri-Term Review
September-October 2008	IFAD	Country Programme Evaluation
April-May 2009	IFAD	Supervision
May-June 2010	IFAD	Supervision
February 2011	IFAD	Follow-up
October 2011	IFAD	Completion

Amendments to the Loan and Grant Agreements

Approval date of amendment	Approved changes in loan clauses
19 September 2008	<ul style="list-style-type: none"><li>- Extension of Project Completion Date to 31 March 2011 and Loan Closing to 30 September 2011</li><li>- Adjustment of Grant No. SUPPL-NO-566-MZ to USD 7,650,000</li><li>- Budget realignments in all three financing schemes in favour of Technical Assistance and Studies (IFAD), Roads Rehabilitation and Other Civil Works (NORAD), and of Social Infrastructure Fund (BSF)</li></ul>
16 July 2009	<p>Reallocation of Loan No. 566-MZ-Schedule 2:</p> <ul style="list-style-type: none"><li>- + SDR 50,000 to Vehicles, Equipment and Materials</li><li>- + SDR 300,000 to Operations and Maintenance</li></ul> <p>Reallocation of Grant No. BG-36-MZ-Schedule 1:</p> <ul style="list-style-type: none"><li>- + Euro 23,402.87 for the Community Health Care Sub-component</li><li>- + Euro 23,000 to Operations and Maintenance</li></ul> <p>Reallocation of Grant No. SUPPL-NO-566-MZ-Schedule 2:</p> <ul style="list-style-type: none"><li>- + USD 310,845 to Other Civil Works (next to Road Rehabilitation)</li><li>- - USD 250,000 in Technical Assistance: International TA for Policy and Legislative Support Sub-Component</li><li>- + USD 250,000 to Credit Funds</li><li>- - USD 310,845 from the Unallocated account</li></ul>
14 January 2011	<p>(a) Article 5.4 (c) of Schedule 1 is amended to include an additional last sentence to read as follows:</p> <p>“Furthermore, the Project shall enter into a partnership with GAPI Sarl for the provision of business development services (BDS) and the piloting of a Risk Mitigation Fund (RMF) to the benefit of investors along the artisanal fishery value-chain.”</p> <p>(b) Article 11.2 of Schedule 3 is amended to include an additional last sentence to read as follows:</p> <p>“GAPI Sarl will be contracted for the provision of BDS. The RMF will be set up with contribution by the project (maximum of 60%) and GAPI Sarl (minimum of 40%). The RMF will be managed by GAPI Sarl on the basis of a regulation to be developed by GAPI Sarl and approved by IFAD. A Subsidiary Agreement for the project contribution to the RMF shall be drawn up between Ministry of Finance and GAPI Sarl and shall be submitted to the Fund for approval”.</p>



### Disbursement by component and financier (USD)

(Sub)Componente	Revised budget	Total expenses (=100%)	IFAD expenses	%	BSF expenses	%	NORAD expenses	%	GOM expenses	%
<i>Community Development</i>										
Co-management, community Mobilisation and infrastructure	6,455,900	4,365,903	1,571,678	36	2,453,788	56	4,859	0	284,649	7
Community Health Care Services	3,134,313	3,287,330	587,901	18	2,298,536	70	3,722	0	346,242	11
Support to Associations	892,328	428,611	427,525	100	-	-	-	-	1,086	0
<b>Subtotal Community Development</b>	<b>10,482,541</b>	<b>8,081,844</b>	<b>2,587,104</b>	<b>32</b>	<b>4,752,324</b>	<b>59</b>	<b>8,581</b>	<b>0</b>	<b>631,977</b>	<b>8</b>
<i>Fisheries Development</i>										
Sustainable Use of Resources	2,003,167	1,563,576	1,555,850	100	-	-	-	-	7,726	0
Promotion of Diversified Fish Production	2,167,269	1,792,363	1,732,402	97	-	-	1,932	0	58,029	3
Post-Harvest Utilization	1,360,900	364,116	289,407	79	-	-	-	-	74,709	21
Co-management of Fish Resources (FCCs)	736,936	171,513	155,003	90	-	-	-	-	16,510	10
<b>Subtotal Fisheries Development</b>	<b>6,268,272</b>	<b>3,891,568</b>	<b>3,732,662</b>	<b>96</b>	<b>-</b>	<b>-</b>	<b>1,932</b>	<b>0</b>	<b>156,974</b>	<b>4</b>
<i>Market Support</i>										
Support to Input and output Markets	1,351,843	1,851,666	1,143,548	62	1,851	0	595,977	32	110,290	6
Access Roads Reab. And Maintenance	5,640,182	4,915,600	725,990	15	4,333	0	3,707,265	75	478,012	10
<b>Subtotal Support Markets</b>	<b>6,992,025</b>	<b>6,767,266</b>	<b>1,869,538</b>	<b>28</b>	<b>6,184</b>	<b>0</b>	<b>4,303,242</b>	<b>64</b>	<b>588,302</b>	<b>9</b>
<i>Financial Services</i>										
Savings and Credit Groups	869,941	1,677,977	1,674,544	100	-	-	-	-	3,433	0
Institutional Credit	1,770,100	1,832,896	382,958	21	-	-	1,449,913	79	25	0
<b>Subtotal Financial Services</b>	<b>2,640,041</b>	<b>3,510,873</b>	<b>2,057,502</b>	<b>59</b>	<b>-</b>	<b>-</b>	<b>1,449,913</b>	<b>41</b>	<b>3,458</b>	<b>0</b>
<i>Policy, Legal and Institutional Support</i>										
Policy and Legislative Initiatives	1,045,487	420,300	158,775	38	-	-	261,481	62	-	-
Institutional Support to IDPPE	5,803,826	8,780,352	7,321,188	83	7,879	0	388,322	4	1,062,963	12
Project Manager	4,318,603	2,852,857	2,523,767	88	-	-	-	-	329,090	12
<b>Subtotal Policy, Legal and Institutional Support</b>	<b>11,167,916</b>	<b>12,053,509</b>	<b>10,003,730</b>	<b>83</b>	<b>7,879</b>	<b>0</b>	<b>649,803</b>	<b>5</b>	<b>1,392,053</b>	<b>12</b>
<b>Total Baseline costs</b>	<b>37,550,795</b>	<b>34,305,060</b>	<b>20,250,536</b>	<b>59</b>	<b>4,766,387</b>	<b>14</b>	<b>6,413,471</b>	<b>19</b>	<b>2,772,764</b>	<b>8</b>
Contingencies										
<b>Total Project Costs</b>	<b>37,550,795</b>	<b>34,305,060</b>	<b>20,250,536</b>	<b>59</b>	<b>4,766,387</b>	<b>14</b>	<b>6,413,471</b>	<b>19</b>	<b>2,772,764</b>	<b>8</b>

### Disbursement by category and financier (USD)

(Sub)Categories	Revised budget	Total expenses (=100%)	IFAD expenses	%	BSF expenses	%	NORAD expenses	%	GOM expenses	%
<i>Civil Works</i>										
Road rehabilitation	4,727,000	4,307,701	-	-	-	-	3,737,404	87	570,297	13
Other civil works	3,001,086	2,504,377	1,328,781	53	-	-	964,736	39	210,861	8
Social Infrastructures for Health	943,240	718,484	-	-	623,137	87	-	-	44,419	6
Social Infrastructures	2,903,503	2,807,352	-	-	2,575,016	92	-	-	181,407	6
<b>Subtotal Civil Works</b>	<b>11,574,829</b>	<b>10,337,914</b>	<b>1,328,781</b>	<b>13</b>	<b>3,198,153</b>	<b>31</b>	<b>4,702,140</b>	<b>45</b>	<b>1,006,984</b>	<b>10</b>
<i>Vehicles, Equipment and Material</i>										
Vehicles	3,937,441	2,860,841	2,140,493	75	195,328	7	-	-	525,021	18
Equipment and material	2,086,323	1,510,901	961,374	64	403,624	27	-	-	118,897	8
<b>Subtotal Vehicles, Equipemnt and Material</b>	<b>6,023,764</b>	<b>4,371,742</b>	<b>3,101,867</b>	<b>71</b>	<b>598,952</b>	<b>14</b>	<b>-</b>	<b>-</b>	<b>643,918</b>	<b>15</b>
<i>Technical Assistance, Studies, Training and Workshops</i>										
Technical Assistance	6,626,748	6,312,094	5,554,013	88	211,505	3	261,480	4	161,993	3
Studoes	1,714,119	1,287,518	1,246,479	97	16,159	1	-	-	24,881	2
Training and Workshops	2,911,103	2,953,187	2,477,316	84	302,919	10	-	-	62,702	2
<b>Subtotal Technical Assistance, Studies, Training</b>	<b>11,251,970</b>	<b>10,552,799</b>	<b>9,277,808</b>	<b>88</b>	<b>530,583</b>	<b>5</b>	<b>261,480</b>	<b>2</b>	<b>249,576</b>	<b>2</b>
<i>Credit Fund</i>	1,450,000	1,449,852	-	-	-	-	1,449,852	100	-	-
<b>Subtotal Credit Fund</b>	<b>1,450,000</b>	<b>1,449,852</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,449,852</b>	<b>100</b>	<b>-</b>	<b>-</b>
<i>Incremental Costs</i>										
Allowances	1,209,503	1,039,801	885,371	85	143,217	14	-	-	1,498	-
Incentives	2,316,453	2,281,547	2,281,547	100	-	-	-	-	-	-
Operation and maintenance	4,044,867	4,062,729	3,375,160	83	295,482	7	-	-	371,576	9
<b>Subtotal Incremental Costs</b>	<b>7,570,823</b>	<b>7,384,077</b>	<b>6,542,078</b>	<b>89</b>	<b>438,699</b>	<b>6</b>	<b>-</b>	<b>-</b>	<b>373,074</b>	<b>5</b>
<b>Total Baseline costs</b>	<b>37,871,386</b>	<b>34,096,384</b>	<b>20,250,534</b>	<b>59</b>	<b>4,766,387</b>	<b>14</b>	<b>6,413,472</b>	<b>19</b>	<b>2,273,552</b>	<b>7</b>
Contingencies	-	499,214	-	-	-	-	-	-	499,214	-
<b>Total Project Costs</b>	<b>37,871,386</b>	<b>34,595,598</b>	<b>20,250,534</b>	<b>59</b>	<b>4,766,387</b>	<b>14</b>	<b>6,413,472</b>	<b>19</b>	<b>2,772,766</b>	<b>8</b>

ANNEX VI

## Physical progress indicators

COMPONENTS		Appraisal target	Total achieved to date	Achieved 2002 - 2011 (%)
COMMUNITY DEVELOPMENT		A	D	D/A
<b>Groups associations</b>				
Associations promoted	group	160	177	111%
Group members	person	2,160	4,600	213%
Group members trained	person		2,956	
<b>Education</b>			0	
School committees formed	group	24	29	121%
School committee trained	group	25	29	116%
School committee members Trained	person	240	356	148%
Community projects concluded (schools)	school	25	23	92%
Classrooms concluded	number	95	98	103%
Staff houses (teachers) constructed by entrepreneurs	house	10	9	90%
Staff houses (teachers) constructed by community members	house	2	4	200%
Classrooms with equipment	number	95	91	96%
Teachers trained	person	60	84	140%
Literacy trainees trained	person	830	722	87%
Students using constructed schools	person		32,700	
community members who received literacy	person		11,700	
<b>Health</b>			0	
Health committees formed	group	18	22	122%
Health committees members trained	group	270	298	110%
Community projects concluded (health units)	health unit	18	18	100%
Staff houses (nurses) constructed by NGO or entrepreneurs	house	16	37	231%
Staff houses (nurses) constructed by community members	house	2	2	100%
Health staff trained	person	713	312	44%
Birth attendants trained	person	585	352	60%
Community health agents trained	person	375	438	117%
Mother trained	group	274	226	82%
Community health committees trained	group	23	22	96%
Children immunized	person	520,000	1,200,000	231%
Births assisted by traditional birth attendants	number		22,200	
<b>Water</b>			0	
Commission for management of water community projects formed	group	57	24	42%
Members of commission for management of water community projects trained	person	342	117	34%
Community water points constructed	water point	57	17	30%
Water points constructed by entrepreneurs	water point	296	301	102%
Water points working	water point	353	303	86%
Water committees formed	group	353	301	85%
Water committees members trained	person	588	3,612	614%

Households contributing to maintenance of water points	number	35,370	32,742	93%
Households benefitting from water (average by water point)	number		68	
Total amount of contributions (average by water point)	MZM		5,700	
People benefitting of water points	person	176,500	481,500	273%
<b>FISHERIES DEVELOPMENT</b>				
<b>Co-management</b>				
Fisheries community councils formed	group		65	
Members of fisheries community councils	person		1,868	
Provincial steering committees for fisheries management functioning	group		3	
District steering committees for fisheries management functioning	group		6	
Meetings of Provincial steering committees for fisheries management held	number		22	
Meetings of District steering committees for fisheries management held	number		26	
Fisheries community councils with headquarters	group		45	
Fisheries community councils with headquarters equipped	group		26	
Fisheries community councils with statutes elaborated	group		32	
Fisheries community councils with statutes approved	group		17	
Conflicts between artisanal fisheries and industrial fisheries channelled			104	
<b>Fisheries diversification</b>				
Improved boats for trials/demonstrations in open sea fishing constructed	boat		17	
Training sessions on artisanal boat construction organised	session		23	
Boat builders/carpenters trained	person		57	
Training sessions on building of improved fishing gears	session		81	
Fishermen trained on building of improved fishing gears	person		1,725	
Fishing gears built for experimentation/demonstration purpose	number		146	
Fishing centres involved in demonstrations/experimentation	number		109	
Operators (fishermen involved in demonstrations/experimentation)	number		193	
Days/saidas of fishing demonstrations	days		7,456	
<b>Post-harvest technologies</b>				
Demonstration of improved techniques and devices for traditional processing (sessions)	session	180	197	109%
Demonstration of improved techniques and devices for traditional processing (participants)	person	3,600	3,815	106%
Processors using improved techniques	number	1,800	3,245	180%
Demonstration on use of ice (sessions)	session	180	97	54%
Demonstration on use of ice (participants)	person	3,600	2,082	58%
Traders/Sellers using ice in appropriate manner	number	1,800	1,437	80%
Improved ice boxes introduced	number	120	210	175%
Exchange visits organised	person		21,222	

<b>MARKET AND ACCESS ROADS DEVELOPMENT</b>			0	
<b>Input and Fish market</b>			0	
Management committees of community markets established	number	3	14	467%
Members of Management committees of community markets	person	30	166	553%
Points of first sale built	number	3	10	333%
Numbers of traders using the points of first sale	number	180	60	33%
Improved fish sold in the points of first sale	tons	405	160	40%
Municipal markets constructed	number	3	4	133%
Traders using municipal markets	number	180	215	119%
Improved fish sold in municipal markets	tons	405	418	103%
Ice plants established	number	3	12	400%
Cold storage facilities established	number		8	
Annual ice production	tons	268	1,200	448%
Local availability of fishing gears	formal shops	17	12	71%
Information on markets broadcast by radio Mozambique		624	720	115%
<b>Access Roads</b>			0	
Sections rehabilitated/maintained with community participation	number	14	10	71%
Sections rehabilitated through entrepreneurs	number	25	34	136%
Sections maintained through entrepreneurs	number	24	10	42%
Roads rehabilitated through entrepreneurs	km	485	809	167%
Roads rehabilitated/maintained through community participation	km	155	80	52%
Roads maintained through entrepreneurs	km	419	264	63%
District staff trained in road maintenance	person	12	18	150%
<b>FINANCIAL SERVICES</b>			0	
<b>Formal credit</b>			0	
Credit disbursed	person		1,064	
Clients who received credit 2 times or more	person		345	
PCR members who received credit	person		193	
Associations financed	number		4	
Credit funds disbursed	MZM		62,000,000	
Credit funded with revolving funds	MZM		23,950,937	
Repayment rate of PCR members			1.00	
Repayment rate of associations			0.80	
Portfolio at risk (>30 days)			0.06	
Portfolio at risk (>60 days)			0.03	
Employment created	person		6,384	
<b>Savings and credit groups</b>			0	
Saving and credit groups established	group	600	1,187	198%
Independent Saving and credit groups	group		948	
Mixed groups	group		0.53	
Women's groups	group		0.22	
Men's groups	group		0.24	
Women members	person		9,289	
Men members	person		10,788	
Community promoters	person		316	
Savings amount	MZM		15,495,872	
Credit amount	MZM		25,306,133	
Interest amount	MZM		8,743,900	

LEGISLATIVE AND POLICIES INITIATIVES, INSTITUTIONAL SUPPORT AND PROJECT MANAGEMENT				
<b>Legislative and policies initiatives</b>				
Strategic plan for artisanal fisheries development		1	Y	
Exclusive zone extended and enforced		1	Y	
Community fisheries council statutes prepared and approved		1	Y	
Regulations on functioning of co-management steering committees prepared and approved		1	Y	
Closed season revised benefitting artisanal fishermen		1	Y	
<b>Institutional support</b>				
IDPPE delegations established		2	3	150%
Performance evaluation system prepared		1	Y	
Implementation agreement with partners	agreement	11	11	100%
Implementation contracts with NGOs	contract	6	6	100%
Extensionists trained and in the field	person		42	
<b>Project management</b>				
Communities implementing the community action plan	number	55	53	96%
Project coordination unit established		1	Y	
Technical assistance recruited		1	Y	
Steering committees working (provincial and district)		1	Y	
Monitoring and evaluation reinforced	person	3	3	100%
Baseline study prepared		1	Y	
Impact studies prepared		2	Y	
Planning areas defined			55	
Monitoring and evaluation system prepared		1	Y	
Financial and administrative system prepared		1	Y	
Technical guidelines prepared		1	Y	
Participatory community appraisal done	number	55	55	100%
Community action plans prepared	number	55	55	100%



ANNEX VII

**Impact Indicators in the Fishing Communities of the Project Area (Sofala Bank), sampled in a baseline study and three subsequent surveys**

	2002	2005	2008	2011
	%	%	%	%
<b>EDUCATION AND LITERACY</b>				
Children frequenting primary school	45	50	58	61
Children concluding primary school	11	14	15	17
Children completing secondary school	0	2	2	3
Persons with non-formal education	44	34	26	19
Persons reading and writing well	13	13	12	20
Persons reading and writing with difficulty	30	35	40	43.8
Share of illiterate persons	57	52	48	36.2
Distance to walk to school, in minutes	36	24	21	17
Good distance to school (closeness)	40	45	49	58.6
Reasonable distance to school	21	24	34	32.9
School is far away	39	10	17	8.5
	%	%	%	%
<b>SCHOOL CONDITION</b>				
Good	29	25	29	37.8
Reasonable	45	19	25	26.1
Poor	26	51	46	36.2

	%	%	%	%
<b>MAIN INCOME SOURCE</b>				
Fishing	62	48	74	37.6
Crops	21	18	21	32.1
Cash crops		5	4	3.5
Monthly income from main source in MZM	1,073	571	3,823	4,050
>90% of food is self-produced	16	19	31	29.7
50% - 90% of food is self-produced	32	29	29	33.7
10% - 50% of food is self-produced	33	23	23	24.7
<10% of food is self-produced	16	28	17	11.8

	%	%	%	%
<b>PERCENTAGE OF HOUSEHOLDS POSSESSING...</b>				
Bicycle	23	38	44	49
Motorcycle	1	2	5	6
Car	2	1	1	2
Radio	60	68	69	70.5
Canoe	25	24	28	29.5
Fisher boat with motor	4	2	2	3.1
Fishing gear	30	26	30	33
Lamp	38	32	62	64
Electricity	3	5	4	5.2
Latrines	10	13	18	19

	%	%	%	%
<b>SOCIAL CONDITIONS OF HOUSEHOLDS:</b>				
<b>SOURCE OF WATER</b>				
Piped water	7	10	2	4
Water source not protected	70	56	41	39
Natural source	12	8	7	5
Protected well/borehole	11	25	48	51
Rain water	<1	<1	<1	<1
Distance to water source ( km)	12	11	1	0.9
<b>HYGIENIC PRACTICES</b>				
Protected water storage	91	42	90	90
Boiling the drinking water	10	12	14	14
Burn garbage	25	46	48	48
Hand washing after toilet use and before eating	95	94	88	88

	%	%	%	%
<b>PERCEPTION ABOUT WELL-BEING</b>				
<b>FOOD AVAILABILITY</b>				
Always sufficient	12	19	26	28.2
Sometimes difficult	53	68	62	60.8
Always difficult	35	13	12	11
<b>BASIC NEEDS</b>				
Always sufficient	10	17	16	17.9
Sometimes difficult	57	66	68	67.4
Always difficult	33	17	15	14.4
<b>HOUSEHOLD HEALTH STATUS</b>				
Poor (one or more family member ill)	18	19	13	12
Reasonable	71	66	64	63.2
Good	11	16	23	26.8
<b>ILLNESS AND DEATH IN COMMUNITY</b>				
Substantial problem		27	19	17.8
Moderate problem		49	55	53.4
Small problem		24	26	28.8
<b>QUALITY OF HEALTH ASSISTANCE</b>				
Good	37	18	21	21
Reasonable	25	25	40	40
Poor	38	13	16	16
No health personnel available	-	33	23	23
<b>CONDITION OF DWELLING</b>				
Improving	21	14	37	41.2
The same	57	60	57	51.8
Worsening	22	25	6	7

## ANNEX VIII

### Stakeholder Workshop Findings

Two workshops discussed the performance of the different Project components, in 2009 and 2011. They presented their observations as follows:

#### *Social community services*

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>- Adequate mobilization approach</li> <li>- Made possible the establishment of basic social infrastructure in remote places</li> <li>- Strengthened local ownership</li> <li>- Extension of community health and school commissions to other works like water, road maintenance and markets</li> <li>- Involved NGOs not present before</li> <li>- Adult literacy courses enabled beneficiaries to better plan and manage community development initiatives</li> </ul>	<ul style="list-style-type: none"> <li>- Community commissions not maintained (for management) after construction ceased</li> <li>- In health, activities remained below expectations (e.g. prevention, nutrition, drainage)</li> <li>- Changes in water sector had negative impact on well construction and operation</li> <li>- Insufficient NGO involvement</li> <li>- Insufficient preparation of District authorities which would have strengthened the involvement of IDPPE</li> </ul>
Suggestions for the future	
<ul style="list-style-type: none"> <li>- Community commissions or committees established for construction should be continued for the operation of installed infrastructures</li> <li>- Implementation model should be reconsidered – with local governments and NGOs – so that IDPPE can dedicate its effort more to fisheries development</li> <li>- Efforts to build and manage social infrastructures should be better synchronized in time and space with fishery infrastructure establishment so as to better involve fishermen</li> <li>- Provide training to community organizations and agents so as to involve them in activities of prevention, nutrition, environment protection and HIV/SIDA</li> <li>- Keep working for an inclusion in primary school curricula topics related to fishery</li> </ul>	

#### *Fisheries development*

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>- Support to open-sea fishing and value enhancement of fish where communication and public electricity supply are available</li> <li>- Boat building improvements and adoption of new technologies</li> <li>- Use of ice by fishermen, processors and traders increases in some places</li> <li>- Increasing domestic fish processing with potential to establish proper businesses</li> <li>- Good participation of fishermen in collective action for business practices and resource management</li> </ul>	<ul style="list-style-type: none"> <li>- Non-compliance with demonstration plans in artisanal fishery</li> <li>- Data collection on some species not sufficiently adapted to requirements</li> <li>- Lack of know-how on fishing boat operation</li> <li>- Adoption of traditional fish processing techniques (salting, drying, smoking) with results below expectations</li> <li>- Too weak a connection between CCPs and fishing authorities; insufficient support for the functioning of CCPs</li> <li>- Lack of operationalization of incentive mechanisms for the working of CCPs risks their demobilization</li> <li>- Involvement of local authorities in fishery administration and management still pending</li> </ul>
Suggestions for the future	
<ul style="list-style-type: none"> <li>- An institutional reflection on IDPPE's extension network is required</li> <li>- An exploratory / experimental fishery programme needs to be designed</li> </ul>	

- Extensionists need to be trained in fishing aspects and need more time to dedicate to fishery
- Methods and tools to evaluate fish potential in shallow waters need to be defined
- Fishermen's security in increasing open-sea fishing and in by-catch collection requires more attention
- Extension methods in processing of traditional fishing products need to be improved
- The use of ice and instruction in traceability of products and quality control needs to be intensified
- Support domestic processing so that quality requirements and product traceability are taken into account
- By-catch treatment requires better conservation methods (ice) in major catch areas
- Strengthen capacities of fishermen to participate and create strong associations
- Clarify and help operationalize licensing and controlling fishing activity with the help of CCPs

### **Market support and roads**

<b>Strengths</b>	<b>Weaknesses</b>
<ul style="list-style-type: none"> <li>- The viability of an ice-producing plant requires electricity from the public grid</li> <li>- State intervention may be necessary for starting up the production and use of ice but plant management needs to be handed to private operators wherever possible</li> <li>- Ice-boxes produced experimentally in the country proved to be adequate</li> <li>- The involvement of users and municipal and District authorities in the definition of fish market projects allowed better adaptation to requirements</li> <li>- Opening road access has been crucial for accessing input and output markets as well as social services</li> </ul>	<ul style="list-style-type: none"> <li>- Low availability of ice and ice boxes in the Project area</li> <li>- Other essential inputs are still (too) scarce (sails, motors, security equipment, etc.)</li> <li>- The concept and investment in markets of 1<sup>st</sup> sale has been adopted and implemented late</li> <li>- Improved installations (offices, toilets, etc.) are under- and inadequately used</li> <li>- Scarcity of local entrepreneurs/contractors, in number and quality</li> <li>- Lack of maintenance of built or rehabilitated roads by local authorities</li> </ul>
<b>Suggestions for the future</b>	
<ul style="list-style-type: none"> <li>- Push for higher availability of ice, particularly in markets of 1<sup>st</sup> sale and municipal markets – initially with involvement from the state</li> <li>- Test alternative technologies to produce and store ice more efficiently so as to reduce its price and facilitate gains in the fish value chain</li> <li>- Increasing importance of markets of 1<sup>st</sup> sale for the concentration of shipping fleets, quality control and product traceability</li> <li>- Step-up efforts to increase the availability of fishing inputs for both traditional and new products (e.g. locally produced ice boxes), including the involvement of small re-sellers of inputs</li> <li>- Apply higher hygiene and quality standards in improved markets</li> <li>- Include local authorities in the programming, operation and control of road maintenance work</li> <li>- Road construction should be entrusted to enterprises with larger, adequate equipment, using more labour-intensive techniques for the maintenance of smaller roads and parts</li> </ul>	

### **Financial services**

<b>Strengths</b>	<b>Weaknesses</b>
<ul style="list-style-type: none"> <li>- ASCAs are a popular form of financial service, well adapted to community target groups</li> <li>- The promotion of ASCAs (PCR) led to the establishment of associations with broader purposes</li> </ul>	<ul style="list-style-type: none"> <li>- Conceding credit without proper requirements and rigour easily results in bad portfolios</li> <li>- A geographically large operations arena, as well as fishermen's frequent migration, render credit management difficult</li> </ul>

<ul style="list-style-type: none"> <li>- The FFP should be more involved as coordinator and wholesale operator</li> <li>- FFPI operated successfully for larger credits for fishing equipment in some areas</li> <li>- More entrepreneurial members of PCRs managed to link up with formal credit, with good results</li> </ul>	<ul style="list-style-type: none"> <li>- Excess liquidity in some PCRs, not used within the group and without convenient opportunity for depositing them in formal institutions, led to highly risky lending to third parties</li> <li>- Lack of resources to contract services to promote PCRs</li> </ul>
<b>Suggestions for the future</b>	
<ul style="list-style-type: none"> <li>- ASCAs (PCRs) are an adequate form to promote financial services of and for the poor, particularly also for marketing fish</li> <li>- The different operations modalities of PCRs should be investigated so as to adapt them better to the needs of the group</li> <li>- The potential for PCRs is not exhausted, more dynamic and effective forms can still arise; different models should be tested with a combination of community and external funds</li> <li>- Formal credit conceded to PCR members can potentiate their business activities as well as other investments</li> <li>- Test lending models in connection with risk mitigation mechanisms and business development support</li> </ul>	

### ***Institutional support***

<b>Strengths</b>	<b>Weaknesses</b>
<ul style="list-style-type: none"> <li>- Project staff groups formed by staff of the host institution (IDPPE) strengthens the inclusion of Project actions in the institution</li> <li>- The availability of manuals for implementation, planning, monitoring and evaluation support a clear operation</li> <li>- The creation of a statistical department in head office and Delegations supports M&amp;E and Project management</li> <li>- Investigations into the situation of target families informs about the effectiveness of Project support</li> <li>- The establishment of a legal framework for the CCPs is crucial for assuming public functions</li> <li>- The interaction with Regional and District governments can render Project activities more dynamic</li> <li>- The inclusion of provincial IDPPE Delegations into Provincial Government budgets allows a differentiation from Project resources</li> </ul>	<ul style="list-style-type: none"> <li>- Participative processes are time-consuming and resource-intensive</li> <li>- The Project's M&amp;E system continues to be very demanding and time-consuming (even after adjusting it after the I and II TTR)</li> <li>- Procurement procedures for goods, services and public works of the Government cause delays in implementation</li> <li>- In some cases, procurement procedures of external financing institutions are still used</li> <li>- Customs clearance problems for imported equipment cause delays and additional costs</li> <li>- Budget cuts from financing institutions, not in accordance with established agreements, or partial transfers of approved tranches create implementation bottlenecks</li> <li>- Frequent liquidity constraints unduly delay the implementation of activities</li> </ul>
<b>Suggestions for the future</b>	
<ul style="list-style-type: none"> <li>- Maintain the present planning model but with higher interaction with local IDPPE agents, local government and communities</li> <li>- Create teams for coordination and planning and for M&amp;E</li> <li>- More realistic initial financial provisioning adapted to the Project area, number of implementing agencies, transaction volumes and to the evolution of expenses as the Project develops</li> <li>- Better match and harmonization between national norms and procedures with the provisions in the financing agreements</li> </ul>	



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